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SMALL BUSINESS COMMISSION NOTICE OF MEETING & AGENDA



MONDAY, JANUARY 14, 2008 DOCUMENTS DEPT

5: 30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

JAN 14 2008

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1. **CALL TO ORDER AND ROLL CALL**
2. **APPROVAL OF THE NOVEMBER 26, 2007 MEETING MINUTES:** (Action Item)
Explanatory Documents: Draft November 26, 2007 minutes
3. **APPROVAL OF THE DECEMBER 10, 2007 MEETING MINUTES:** (Action Item)
Explanatory Documents: Draft December 10, 2007 minutes
4. **GENERAL PUBLIC COMMENT:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item)
5. **COMMISSIONER AND STAFF REPORTS:** Allows Commissioners and staff to report on recent small business activities and make announcements (Discussion Item)
6. **SMALL BUSINESS ASSISTANCE CENTER UPDATE:** Presentation and update on the design and implementation of the Small Business Assistance Center (SBAC) and hiring process for director. Presentation by Rich Hillis, Deputy Director of Neighborhood Economic Development, Mayor's Office (Discussion/Possible Action Item)
7. **TRANS FAT FREE PROGRAM ORDINANCE PRESENTATION:** Presentation, discussion and possible action on the proposed Ordinance amending the San Francisco Health Code by adding Article 37, sections 3701 through 3711, to: (1) encourage restaurants located in the City and County of San Francisco to discontinue the use of artificial trans fat in food served to customers by creating an incentive program, and (2) provide regulations for the voluntary trans fat free program. Presentation by Emily Rodgers, Legislative Aid to Supervisor Maxwell (Discussion/Possible Action Item)
8. **PRESENTATION ON CRITERIA FOR SAN FRANCISCO TAX SYSTEM ANALYSIS AND FRAMEWORK FOR AN RFP:** Presentation and discussion on proposed criteria for San Francisco Tax System Analysis. Presentation by David Augustine of the Tax Collector's Office, Ted Egan of the Controller's Office, and Jennifer Entine-Matz of the Mayor's Office (Discussion Item)

SMALL BUSINESS COMMISSION
1 DR. CARLTON B. GOODLETT PLACE, #448
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AGNES BRIONES UBALDE, DIRECTOR
MARTHA P. YAÑEZ, SECRETARY

SMALLBUSINESS COMMISSIONERS
MICHAEL O'CONNOR, PRESIDENT
JORDANNA THIGPEN, VICE PRESIDENT
FLORENCE ALBERTS
DAVID CHIU
GUS MURAD
VACANT
RICHARD VENTURA

9. **CARBON TAX PROPOSAL PRESENTATION:** Presentation and discussion on Mayor Newsom's proposed carbon tax proposal for the November 2008 ballot. Presentation by Wade Crowfoot, Director of Climate Protection Initiatives, Mayor's Office (Discussion Item).
Explanatory Documents: Mayor Newsom's Carbon Tax Proposal
10. **SOLAR INCENTIVE LOAN PROGRAM PRESENTATION:** Presentation, discussion and possible action on the Mayor's proposed solar incentive loan program. Presentation by Wade Crowfoot, Director of Climate Protection Initiatives, Mayor's Office (Discussion/Possible Action Item)
11. **GREEN BUILDING ORDINANCE PRESENTATION:** Presentation, discussion and possible action on the Mayor's proposed green building ordinance. Presentation by Wade Crowfoot, Director of Climate Protection Initiatives, Mayor's Office (Discussion/Possible Action Item)
12. **GENERAL PUBLIC COMMENT:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item)
13. **NEW BUSINESS:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item)
14. **ADJOURNMENT:** (Action Item)
Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available for public inspection and/or copying at City Hall, Room 448. Please call Martha Yanez at (415) 554-6134 to make arrangements for pick up or review.

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Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
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Office: (415) 554-7724
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January 14, 2008

CITY AND COUNTY OF SAN FRANCISCO

SMALL BUSINESS COMMISSION

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

MEETING MINUTES

Monday, January 14, 2008 5:30 PM

Small Business Commissioners:

Michael O'Connor, President

Jordanna Thigpen, Vice President

Florence Alberts, David Chiu, Gus Murad, Richard Ventura

Executive Director – Agnes Briones Ubalde

Commission Secretary – Martha Yañez

Members Absent: Commissioner Murad (excused)

Call to order:

Item 1 - ROLL CALL

The Small Business Commission met on Monday, January 14, 2008 in regular session. The meeting was called to order at 5:41PM.

Item 2 – APPROVAL OF THE NOVEMBER 26, 2007 MEETING MINUTES

Commissioner Chiu noted several amendments and said for the sake of time, he would get Martha the edits for inclusion in the minutes. Commissioners Ventura and Thigpen also noted a couple of other amendments.

Motion: Approval of the November 26, 2007 minutes pending amendments as noted above (Commissioner Thigpen)

Second: Commissioner Ventura

Ayes: 5

Item 3 – APPROVAL OF THE DECEMBER 10, 2007 MEETING MINUTES

Commissioner Chiu noted some amendments to Item 5 in particular.

Motion: Approval of the December 10, 2007 minutes pending amendments (Commissioner Chiu)

Second: Commissioner Thigpen

Ayes: 5

Item 4 – GENERAL PUBLIC COMMENT

None

Item 5 - COMMISSIONER AND STAFF REPORTS

None

Item 6 – SMALL BUSINESS ASSISTANCE CENTER UPDATE

Rich Hillis presented a report commissioned by the Mayor's Office to lay the groundwork for the implementation of the SBAC as mandated by Proposition I. The report takes into account the Mayor's Economic Strategy and the Commission's 2006 Streamlining Report. He said the conclusion suggest that the Center ought to serve clients by responding to their needs and inquiries, and it should strive to be proactive by making changes to the current process. He said the report highlights counseling and technical assistance services first, and policy second. He said outreach for the Center is also important and said people will need to know that the Center exists, but he cautioned doing extensive outreach until the Center is fully staffed and capable of assisting clients. He said the Center should have a great web presence, adding that the website will be important and should attempt to address as many questions as possible on line. In terms of an update on the launch of the Center, he reported space had been acquired in the Tax Collectors Office and designs are underway. With regard to hiring process, he suggested a couple of

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Commissioners work with Mayor's staff to hire the director. In keeping with the requirements of Proposition I. Sec. 2A.241(b), **Commissioner Chiu** stated that pursuant to Proposition I, within four months of the initial hiring of any new staff, the Office of Small Business should analyze the existing law, regulations, roles, procedures and responsibilities of all city department that impact small business and make recommendations regarding the streamlining and consolidation of such departmental functions under the Office of Small Business. **Commissioner Ventura** asked about the budget for the new Center and if full funding for the Center is in the Mayor's 2008 budget proposal. **Rich Hillis** said it was too early for that, but said the intent is to ask for the same full amount next year. **Commissioner Thigpen** asked if funds could be carried over if they do not fully staff the Center. **Rich Hillis** responded stating that in such a case they would encumber the funds for other Center related expenses such as web design. **Commissioner O'Connor** said that he would like to be involved in the hiring process, and suggested that the other Commissioner be a Mayoral appointee. **Commissioner Thigpen** said she would like to participate and suggested her experience on the Taxi Commission would be helpful. A discussion ensued about how many Commissioner constitute a quorum. Commissioners agreed that the process should be quick and efficient in order to hire a director as soon as possible.

Motion: Commissioners O'Connor, Ventura and Thigpen work with Mayor's staff on the hiring of the SBAC Director, pending Deputy City Attorney confirmation that it does not violate Brown Act or other law governing Commissions (Commissioner Chiu)

Second: Commissioner Thigpen

Ayes: All

Item 7- TRANS FAT FREE PROGRAM ORDINANCE PRESENTATION

Emily Rogers, Legislative Aid to Supervisor Sophie Maxwell presented the proposed legislation stating that Supervisor Maxwell had introduced the legislation as an active first step toward Healthy SF. She said the ordinance encourages restaurants located in the City to discontinue the use of artificial trans fat in food served to customers by creating an incentive program. The ordinance also aims to provide regulations for the voluntary trans fat free program. She said qualifying restaurants would be identified with a decal as well as listed on a website. She said the program is supported by the Department of Public Health, the Golden Gate Restaurant Association and the SF Chamber of Commerce, and said she looked forward to the Commissions support. Commissioner Thigpen asked if there was any idea how many restaurants would participate. Emily Rogers said they don't have an idea, but hope all of the nearly four thousand restaurants participate.

Motion: Approval of the Trans Fat Free Program Ordinance (Commissioner Thigpen)

Seconded: Commissioner Chiu

Ayes: All

Item 8-PRESENTATION ON CRITERIA FOR SAN FRANCISCO TAX SYSTEM ANALYSIS AND FRAMEWORK FOR AN RFP

David Augustine of the Tax Collector's Office presented the criteria for San Francisco tax system analysis and framework for an RFP. He stated that the criteria for a good tax system include equity, economic efficiency, simplicity, transparency, and administer ability. Equity includes the ability to pay principle and the benefits received principle. The ability to pay principle states that those who are more capable of bearing the burden of taxes should pay more taxes than those with less ability to pay; this includes horizontal equity and vertical equity. The benefits received principle states that the amount of tax paid should be directly related to the benefits that a taxpayer receives from the government. From a taxpayer's perspective, the cost of taxes includes more than the tax liability paid to the government. Those costs include efficiency costs, which result from taxes changing the economic decisions that people make – decisions such as how much to work, how much to save, what to consume, and where to invest. These changes, referred to by economists as distortions, reduce people's well-being in a variety of ways that can include a loss of output or consumption opportunities. The total cost of taxes from a taxpayer's point of view is the sum of the tax liability, the efficiency costs, and the costs of complying with the system. The statutory incidence of a tax – who directly pays – is often different from its economic incidence – which ultimately pays. This is because changes in taxation prompt follow-on changes in economic behavior. This is especially true in business taxation when businesses can pass higher taxes to customers, workers, and owners through higher costs, lower wages, and/or lower returns on investment. These efficiency costs of taxation can also affect the equity outcomes of a tax system. Cities in metropolitan areas are much more open economies, and taxes create additional efficiency issues: which city to shop in, which city to live and work in, which city to start or expand business in etc. The goal of tax policy is not to eliminate efficiency costs. The fact that taxes impose efficiency and other costs beyond the tax liability does not mean that taxes are not worth paying. The goal of tax policy is to design a tax system that produces the desired

amount of revenue and balances economic efficiency with other objectives, such as equity, simplicity, transparency, and administer ability. Simple tax systems impose less of a compliance burden on the taxpayer than more complex systems. Taxpayer compliance burden is the value of the taxpayer's own time and resources, along with any out-of-pocket costs to paid tax preparers and other tax advisors, invested to ensure compliance with tax laws. A transparent tax system is one that taxpayers are able to understand. Transparent tax systems impose less uncertainty on taxpayers, allowing them to better plan their decisions about employment, investment, and consumption. A nontransparent tax system could be difficult to administer because tax administrators may have difficulty consistently applying the law to taxpayers in similar situations. Key features of a transparent tax system include: taxpayers can easily calculate their liabilities, taxpayers grasp the logic behind tax laws and tax rates, taxpayers know their own tax burden and the tax burden of others, and taxpayers are aware of the extent of compliance by others. All tax systems have administrative costs. A more administrable tax system collects more of the statutorily required tax at a lower cost per dollar collected. The key tasks for administering a tax system include: processing tax returns and payments, enforcing the tax code, and providing taxpayer assistance. Improving the simplicity, transparency, and administer ability of the tax system may affect the equity and efficiency of the tax system. Simplified, transparent, and administrable tax codes are generally thought to enhance efficiency because (1) taxpayers can redirect resources that would have been used to comply with the tax code to other, more productive purposes and (2) these tax systems have fewer incentives that distort decision making about work, savings, and investment. However, proposals to simplify the tax system may reduce equity because many tax provisions that are complex and difficult to comply with are also designed to promote fairness. Improving the simplicity, transparency, and administer ability of the tax system may affect the equity and efficiency of the tax system. Simplified, transparent, and administrable tax codes are generally thought to enhance efficiency because (1) taxpayers can redirect resources that would have been used to comply with the tax code to other, more productive purposes and (2) these tax systems have fewer incentives that distort decision making about work, savings, and investment. However, proposals to simplify the tax system may reduce equity because many tax provisions that are complex and difficult to comply with are also designed to promote fairness. **Commissioner Chiu** asked about the next steps. **Jennifer Matz** replied stating that the next step would be to task staff to come up with the scope of work for an RFP and work with the Commission to request this for the next budget cycle. **Commissioner Chiu** stated that he would support such an effort. **Jennifer Matz** suggested that a resolution would be advisable. David Augustine said he would be happy to help but suggested that such an initiative not come from the Tax Collector's Office since it might be viewed as a conflict. **Ted Egan** agreed that the initiative should not come from his Office of the Controller either for the same reason, but said that they would continue to work with the Commission and the Mayor on this effort. **Commissioner Chiu** said that he started drafting a resolution that he would circulate to Commissioners for review and consideration at the February meeting. **Stephen Cornell** of the Small Business Advocates said he liked the principles in theory, but said taxpayers in San Francisco are very small. He reported on the recent Business Times list of the top 15 employers in San Francisco, including Safeway, Wells Fargo, PG&E, and the City and County of San Francisco among others, and said that of those 15, only 3 pay taxes to the city. He said big businesses will continue to escape paying taxes in the City, adding that most of the current decision makers don't have businesses where they pay taxes, so they will continue to create policy where someone else pays, not them, stating that it is something to be considered because it is driving business out of the city. **Commissioner Chiu** requested that the item be on the February agenda.

ITEM 9-CARBON TAX PROPOSAL PRESENTATION

Jennifer Matz said that the Mayor had proposed replacing the payroll tax with a carbon tax and also having it be revenue neutral to the general fund. She said the details of what the policy will look like are still being developed and said she would be happy to come back in February to provide clarification. She said the goal of revenue neutrality is important to understand and wouldn't necessarily be revenue neutral to an individual business taxpayer, but would be revenue neutral to our general fund. She said they are not talking about increasing taxes to the city, but said that different businesses would feel an increase of a carbon tax differently depending on how they are situated and said that some of those details is where they are looking at and modeling. **Commissioner O'Connor** asked for an example of the type of business that would be affected. **Jennifer Matz** said that currently businesses pay a utility user tax on gas, electricity and water. She said they are talking about increasing the utility user tax or UUT only on gas and electricity because they create carbon, a certain percentage, and to have some sort of off set to that increasing cost from payroll tax, because she said all businesses use electricity, but said all businesses don't pay payroll tax. She said there is a disconnect because some businesses would pay the carbon tax that would not get an off set from the payroll tax because they don't pay it. **Commissioner Chiu** asked if this would be a wholesale replacement of the payroll tax. **Jennifer Matz** clarified that it would not be a wholesale

replacement because she said the utility user tax does not generate anything like what the payroll tax does, and said that the Mayor's intent is to get away from a local business tax that is essentially a tax on jobs, and move toward a local tax that taxes pollution as a policy matter. She said they can not do a wholesale switch from one to the other and said that all of this would have to go to the voters at some point.

Commissioner O'Connor asked what the process by which the tax would be paid, and asked if it would appear on the PG&E bill and then PG&E would in turn pay the city. **Jennifer Matz** responded that indeed that is how it would work, adding that the payment would go directly to the city's general fund.

Commissioner Thigpen asked if PG&E would take a cut, such as an administrative fee. **Jennifer Matz** said she did not think they would. **Commissioner Ventura** asked if a business that has already been paying the payroll tax would receive a discount on whatever carbon tax is generated. **Jennifer Matz** replied stating that this is one of the proposals being discussed, but said it has not been determined.

Commissioner Ventura asked about those businesses that are not subject to payroll tax, and their tax increases, would there be a rebate for them. **Jennifer Matz** said that was correct. **Commissioner Thigpen** said the concept was interesting, but wondered about other forms of pollutants and asked how this tax would be equitable. **Jennifer Matz** agreed and said that they are aware that there may be other form of carbon output that could conceivably become part of the package of a final proposal.

Commissioner Chiu raised some initial questions about the mechanics of such a proposal, stating that if such a tax is successful, it will incent businesses to pollute less, which means they will be taxed less, which will result in less tax revenue for the city, and said that essentially it is a moving target every year depending on how businesses adapt to the new regime. **Jennifer Matz** agreed and said that one of the proposals would be to say that instead of having a dollar for dollar rebate from your carbon tax to your payroll tax, would be a situation in which you look at the total amount of new revenue collected to the general fund over what payroll tax, so what did you additionally collect, and then refund proportionally to every business that pays payroll tax a portion of that additional collection. She said this would create a situation where in which years that there are lower collections, one would get a lower refund and vice versa. She said it could be in the form of a refund or a credit against next year's tax. **Commissioner Chiu** asked about the equity of the tax, stating that it has been noted that there are many large businesses that do not pay payroll tax, and wondered if this proposal is part of the intent of what this initiative is trying to address, and if so, he wondered if it would be legally possible to place a carbon tax on those businesses that currently escape the payroll tax. **Jennifer Matz** said it is, adding that there are a lot of discussions about what to do with respect to the larger businesses that have been operating outside of the payroll tax. With respect to the legality, she said it would be possible because it would be on their use of electricity.

Commissioner Ventura said that this initiative could potentially be very attractive to many businesses, and suggested that they outreach to neighborhood economic development organizations (NEDO's) and other business organizations to garner support for the measure. **Jennifer Matz** agreed that this was important and said the earliest they would look to put this on the ballot would be in November, adding that this gives us plenty of time between now and then to do outreach. **Commissioner Alberts** requested a better analysis of the initiative for February and wondered how the connection between payroll tax and carbon tax had been reached. She said she did not know how many places would have a tax on one thing and a tax on something totally different and have trade offs between the two. **Jennifer Matz** said that these are questions they are asking, including considering the fact that these are local taxes, should they be married should they not. She said she would be happy to come back and talk about both. **Stephen Cornell** stated that these businesses which don't pay the payroll tax are exempted by either state or federal law, and said the way he understands it, they would also be exempt from any new tax. For example, he said that a bank is exempted from all taxes to the city, including the 25% parking tax in the building for their own vehicles because the state exempts it. Furthermore he said with respect to the payroll tax, the folks that pay it are folks that have high employment of high executives, stating that these businesses are going to be your downtown businesses in large buildings which while high rise building, have a small footprint in the city. He said these buildings are very energy efficient buildings compared to businesses with large footprints, such as supermarkets or restaurants, most of which employ low wage workers. He said the electricity bill of a restaurant would be a lot more than a downtown high rise business because of appliances such as refrigerators and stoves, and this tax would result in yet another hit to these types of businesses. Additionally he asked about non San Francisco businesses, stating that they would continue to escape local taxes, resulting in an unfair advantage yet again, and further incentive. **Mark Klaiman**, a small business owner of Pet Camp in San Francisco stated that while he understands it is easiest to regulate point sources such as entities that buy electricity or gas, he said that a lot of the carbon issues in San Francisco are related to delivery trucks. He said this is not addressed in any shape or form with this tax, regardless of locality, local or not. Secondly he said there is not discussion about companies such as his who have already mitigated their carbon impact, stating that Pet Camp is the largest private owner of

solar panels in San Francisco. Again, no discussion of these companies that have stepped up and are doing the right thing and still have a high electric and gas bill. Finally he agreed with the previous speaker, stating that clearly this is a tax that impacts employers of low income folks and first generation and people who still have to use a lot of power even though they are efficient, and said that it will skew the tax burden toward those businesses and away from the downtown interests. **Commissioner Ventura** asked the Office of Economic Analysis to respond to these comments. **Ted Egan** said that he has not been involved in this discussion but said that they would certainly look carefully at a carbon tax proposal and the issues surrounding it such as those expressed by the public. He said the process is that this would need to be introduced to the Board before it goes to the ballot, which would trigger their economic impact report. **Commissioner Chiu** stated that he appreciates the work Mr. Egan and Mr. Augustine have done on the criteria for tax system analysis and how they are thinking of changing the payroll tax to some other tax, but said that he worries about the speed with which they are looking at this other proposal and said he would hope and suggest that they bring the same level of scrutiny to these criteria of equity, economic efficiency, simplicity, and administer ability, particularly if they hope to put this on the ballot within a few months.

Item 10-SOLAR INCENTIVE LOAN PROGRAM PRESENTATION

Wade Crowfoot, Director of Climate Protection Initiatives for the Mayor's Office clarified that this is a partnership of Assessor Ting's office and the Mayor's Office. He said the proposal began over a year ago when Assessor Ting convened the San Francisco Solar Task Force to understand what the city could do better to incentivize solar installation on private property in San Francisco. He said the city has been working hard to install solar on public buildings, but has fallen behind in private installations, adding that there are only 600 private roofs in the city with solar installations. He said they Task Force and the Mayor agreed that the answer lay in a state program that created an incentive akin to a rebate, which ultimately doubled California's solar installations. Thus the proposal is to provide an incentive to residents and businesses to install solar. The proposal would provide from 3-5 thousand dollars for residents, and up to 10 thousand for businesses. More specifically he said it would provide \$3,000 in rebates to residents; \$4,000 for residents who use a local solar installer; \$5,000 if the house is located in what they are calling an environmental justice district, which he said will be defined, but which essentially will be in the Southeast sector of the city, where residents have suffered environmental pollution; and up to \$10,000 per business. Funding for the program will not come from the general fund, but rather from annual revenues from the Hetch Hetchy power system, some of which are used to design and build solar installation on public property. He said there are strategies to grow the amount of funding that the PUC has for solar installations on public property, and then use between 2-5 million dollars each year to fund this program for residents, businesses and non profits. Coupled with is a loan program to offset some costs associated with the installations, including building permits etc. He said the loan will be a low interest loan that would be administered by the city and would utilize unused Seismic Safety Loan Program general obligation bond authority passed in 1992 and of which only 50 million of the 350 million dollar was ever used. He said the idea is to repurpose 50 million dollars of it for this loan program, and said the city would borrow the money in bulk at 150 basis points lower than a bank, thus creating a locked in interest rate to borrowers. He said the loan would be payable over the life of the loan through increased property assessment, and said it would only impact folks who borrow money and not be felt across the city, and said it would not impact the property assessment of the homeowner. He said this program and the subsequent local green jobs it could create could be a real environmental boon to the city as well as an economic development strategy. **Commissioner Thigpen** asked when the proposed loan program would launch. **Wade Crowfoot** stated that the proposed loan program is currently at the BOS where they hope that a majority of the Supervisors will vote for it so it can be placed on the ballot for June. **Commissioner O'Connor** asked if the loans would be able to be paid back via the persons bi annual property tax payments. **Wade Crowfoot** responded in the affirmative. **Mark Klaiman** said this is like apple pie, everyone wants it, however he suggested that it won't benefit small businesses, and said it will only benefit property owners. He said the question is how many business owners own the property they occupy. **Commissioner Alberts** asked about the position of Homeowners Association. She agreed with the comment that it will mainly benefit homeowners and not businesses, other than the potential solar installation start up companies. **Commissioner Chiu** suggested looking into ways to incent property owners to provide cost savings through to tenants in order to incent tenants to agree to it. The Commissioners expressed some concerns and indicated they would like more information and details about the program and suggested this be reconsidered at a future meeting. **Wade Crowfoot** agreed to come back in February with more details.

Item 11 – Green Building Ordinance Presentation

Wade Crowfoot said this is another critical environmental policy that the city is on the verge of adapting

and said there is consensus among elected officials. He reported that in the U.S. 48% of green house gas emissions are generated by buildings. In 2004 San Francisco passed a local climate action plan with the idea of exceeding the Kyoto protocols for decreased green house gas emissions locally. The Kyoto protocols called for 7% reduced emissions below 1990 levels. He said the city's goal was to achieve a 20% reduction in green house gas emissions by 2012. He said the city is half way there and has achieved slightly below the 1990 levels. Thus, four years ago the city passed a local policy that required municipal buildings to obtain a lead silver certification, stating that lead (local excellence in environmental design) is a standard created by the U.S. Green Building Council that recognizes a high level of environmental efficiency, adding that there are a number of levels of lead certification including gold, silver and platinum. He said this program is now evolving to private sector construction and said that six months ago Mayor Newsom called for a Green Building Task Force comprised of industry experts including builders, architects and environmentalist, to understand what set of requirements made sense locally. During that time the Mayor's Office passed a policy that allowed for the expediting of permits for those buildings that achieved lead certification, which proved to be a fairly strong incentive to create more efficient buildings. He said the purpose of the Green building Ordinance is to require the phasing in of these lead energy efficiency requirements to reach gold level by 2012, and said that for new commercial construction over 5,000 gross square feet, and commercial interiors and major alterations over 25,000, lead standards will phase in to reach lead gold standards by 2012. He reported that folks are in agreement and reported that it has been introduced at the Board and will go to the Building Inspection Commission later in the month and back to the Board for what will hopefully be support of the ordinance, and said they look for the support of the Small Business Commission as well. **Commissioner Thigpen** said that a big problem that does not seem to be addressed in the ordinance is that building codes are antiquated and wondered if there is anything in the ordinance to address this issue. **Wade Crowfoot** said that Lawrence Kornfield of the Department of Building Inspection has been staffing the Task Force and said that the hope is that these environmentally progressive building requirements will not run into an antiquated code, and said that this is a reason that it is a change to the local building code. He said the program is somewhat flexible so that developers can work with what they have, but still achieve a level of efficiency that is required for lead certification. **Mark Klaiman** said that he is discouraged because his comments will sound like he is not for greening the city, when his business is actually quite green as he already indicated. Again, he said his issue is that while this is all good and fine, it really won't impact small business and wondered if it was worth the Commissions time. There was a discussion to have Wade Crowfoot come back at the next meeting.

Item 12 - General Public Comment

Silvia Johnson commented on the building code and small businesses, stating that they had asked a lot of the builders and permits to come and sign. She said she had not been at the Commissions of any coordination of any inspections for small businesses, and said that she had been calling a lot of people on this issue and said everybody seems to be trying to shut the whole thing down. She said she did not think it should be a process for their worldwide success and health care issues, because she said they have already put a lot of poisonous environments to mark out the whole purpose of children's lives and said she had been studying building processes at Bryman College, and said she had put in applications for the medical district, and said that if she has to go to CEQUA on this issue of environmental control.

Item 13 - NEW BUSINESS

Commissioner Ventura requested for the Election of Officers to be placed on the agenda. **Commissioner Thigpen** requested to reconsider the Mission/Bernal Heights Formula Retail Ban for February. She also requested to get a status update on a resolution that the Commission passed January 2007 regarding the Geary Boulevard BRT, in which the Commission requested that an Economic Impact Analysis be done on that project. **Commissioner O'Connor** reported that he had checked in with Pilar Schiavo of Ammiano's Office to see if they would consider any of the comments from the December meeting on the Mission/Bernal Formula Retail ban and said that it did not appear that any of the comments resonated. **Commissioner Thigpen** reported on BALLE's upcoming National Conference scheduled for June 5-8 in Boston and encouraged folks to attend, stating that it is one of the best conferences she has attended.

Item 14 - ADJOURNMENT

Motion to adjourn: Commissioner Chiu
Seconded: Commissioner Thigpen

The meeting was adjourned at 7:24 P.M.





SMALL BUSINESS COMMISSION NOTICE OF MEETING & AGENDA



MONDAY, FEBRUARY 11, 2008

5:00 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

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2/11/08

1. **Call to order and roll call:**
2. **Public comment on all matters pertaining to the closed session:** Allows members of the public to comment on matters pertaining to the closed session (Discussion Item)
3. **Vote to go into closed session:** Held pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b): Public Employee Appointment/Hiring: Executive Director (Review applicants interviewed, and discuss/decide applicants to forward to Mayor for appointment) (Action Item)
4. **Vote to reconvene in open session:** 5:30PM (Estimate Time) (Action Item)
5. **Vote to elect whether to disclose any or all discussion held in closed session:** (San Francisco Administrative Code Section 67.12(a)) (Action Item)
6. **Approval of the January 14, 2008 meeting minutes:** (Action Item) Explanatory Documents: Draft January 14, 2008 minutes
7. **General public comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item)
8. **Election of President of the Small Business Commission:** Allows the Commission to elect a member of the Commission to serve as President of the Commission. Requires motion and vote (Action Item).
9. **Election of Vice President of the Small Business Commission:** Allows the Commission to elect a member of the Commission to serve as Vice President of the Commission. Requires motion and vote (Action Item).
10. **Commissioner and staff reports:** Allows Commissioners and staff to report on recent small business activities and make announcements (Discussion Item)

SMALL BUSINESS COMMISSION
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AGNES BRIONES UBALDE, DIRECTOR
MARTHA P. YAÑEZ, SECRETARY

SMALLBUSINESS COMMISSIONERS
MICHAEL O'CONNOR, PRESIDENT
JORDANNA THIGPEN, VICE PRESIDENT
FLORENCE ALBERTS
DAVID CHIU
GUS MURAD
IRENE YEE RILEY
RICHARD VENTURA

11. **Haight Street Neighborhood Commercial District – Full Service Restaurant:** Presentation, discussion and possible action on proposed Ordinance to provide for up to four new full service restaurant uses that satisfy specific requirements. Presentation by Regina Dick-Endrizi, Legislative Aide to Supervisor Ross Mirkarimi (Discussion/Possible Action Item). Explanatory Documents: Proposed Haight Street NCD – Full Service Restaurant Ordinance
12. **SF Energy Watch & T12 Ordinance Presentation & Update:** Presentation and update on San Francisco's Energy Watch Program and proposed T12 Ordinance. Presentation by Alena Gilchrist and Cal Broomhead of the Department of the Environment (Discussion/Possible Action Item). Explanatory Documents: SF Energy Watch Small Business Direct Install Report 2007
13. **Neighborhood Drop Off Site Program:** Presentation, discussion and possible action for the SBC to support the Department of the Environment's Neighborhood Drop off Site Program. Presentation by Brooke Sommerfeldt, Residential Toxics Reduction Associate, Department of the Environment (Discussion/Possible Action Item). Explanatory Documents: Neighborhood Drop off Site Program
14. **Resolution urging the Mayor and the Board of Supervisors to authorize a budget expenditure to evaluate different business tax options:** Presentation, discussion and possible action for the Commission to approve the proposed resolution as stated. Presentation by Commissioner David Chiu and Commissioner Jordanna Thigpen (Discussion/Possible Action Item). Explanatory Documents: Draft Resolution
15. **Solar Incentive Loan Program & General Obligation Bond Election Presentation:** Presentation, discussion and possible action on the Mayor's proposed solar incentive loan program. Presentation by Wade Crowfoot, Director of Climate Protection Initiatives, Mayor's Office (Discussion/Possible Action Item). Explanatory Documents: Proposed Solar Energy Incentive Program, and Affordable Energy Improvement Loan Program General Obligation Bond Election
16. **Green Building Ordinance Presentation:** Presentation, discussion and possible action on the Mayor's proposed Green Building Ordinance. Presentation by Wade Crowfoot, Director of Climate Protection Initiatives, Mayor's Office (Discussion/Possible Action Item). Explanatory Documents: Proposed Green Building Requirements Ordinance
17. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item)
18. **Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available for public inspection and/or copying at City Hall, Room 448. Please call Martha Yanez at (415) 554-6134 to make arrangements for pick up or review.

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Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that city operations are open for the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6083. To obtain a free copy of the Sunshine Ordinance contact:

Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4683
Office: (415) 554-7724
Fax: (415) 554-5163
E-Mail: soff@sfgov.org

Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org.

Cell Phone and/or Sound-Producing Electronic Device Usage at Hearings

Effective January 21, 2001, the Board of Supervisors amended the Sunshine Ordinance by adding the following provision: The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

Disability Access Policy

Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART Station is the Civic Center station located at the intersection of Market, Hyde and Grove Streets. Accessible MUNI lines serving the Veterans Building are 42 Downtown Loop and the #71 Haight/Noriega and the #70 Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services call 923-6142. Accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex. American Sign Language interpreters and/or a sound enhancement system will be available upon request by contacting Milton Edelin at 558-6410 at least 72 hours prior to a hearing. Individuals with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-8925 to discuss meeting accessibility. In order to assist the city's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the city to accommodate these individuals.

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Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by San Francisco Lobbyist Ordinance [Article II of the San Francisco Campaign and Governmental Conduct Code] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Ave., Suite 3900, SF 94102 (415) 581-2300, FAX (415) 581-2317 and web site address at <http://www.sfgov.org/ethics/>.

Chemical Sensitivity

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical base products. Please help the City accommodate these individuals.



February 11, 2008

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION**

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

MEETING MINUTES

Monday, February 11, 2008 5:00 PM

Small Business Commissioners:

Michael O'Connor, President

Jordanna Thigpen, Vice President

Florence Alberts, David Chiu, Gus Murad, Richard Ventura, Irene Yee Riley

Executive Director – Agnes Briones Ubalde

Commission Secretary – Martha Yañez

Members Absent: None

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Call to order:

Item 1 - Roll call

The Small Business Commission met on Monday, February 11, 2008 in regular session. The meeting was called to order at 5:07PM. All commissioners were present.

Item 2 – Public comment on all matters pertaining to the closed session

None

Item 3 – Vote to go into closed session

Motion: Commission to go into closed session (Commissioner Thigpen)

Second: Commissioner Chiu

Ayes: 7

Item 4 – Vote to reconvene in open session

Motion: Commission to reconvene in open session (Commissioner Ventura)

Second: Commissioner Riley

Ayes: All

Item 5 - Vote to elect whether to disclose any or all discussion held in closed session

Motion: Commission not disclose any closed session discussion (Commissioner Thigpen)

Second: Commissioner Alberts

Ayes: All

Commissioners reported there was no action taken in closed session

Item 6 – Approval of the January 14, 2008 meeting minutes

Commissioner Chiu had a few edits to the minutes which he would later present to Commission Secretary Martha Yanez for inclusion in final minutes.

Motion: Approval of draft minutes pending edits (Commissioner Riley)

Second: Commissioner Chiu

Ayes: All

Item 7- General public comment

None

Item 8- Election of President of the Small Business Commission

Commissioner O'Connor proposed holding off on the elections since there will be a lot of turn over before the next meeting and thus the possibility for holding elections again in April. He said he would prefer if it was a unanimous decision. Commissioner's Murad and Alberts agreed that it made sense to delay the elections due to the turn over. Commissioner Ventura asked the deputy City Attorney if the Commission

would be in violation of their bylaws if they did not hold the elections. Deputy City Attorney Alicia Cabrera responded stating that per the Commission's bylaws the Commission ought to have held elections in January so they are and would continue to be in violation of the by laws. She also reported that Proposition B, approved by the voters November 2007, prohibits appointed members serving on Charter-created boards or commissions from serving as hold-overs for more than 60 days after the end of their terms, and said that any member of a board or commission serving as a hold-over on the effective date of the amendment may continue to serve as a hold-over for up to 60 more days. Commissioner O'Connor said both he and Commissioner Ventura were interested in the presidency. A discussion ensued about the presidency and potential candidates.

Motion: Delay elections until March (Commissioner Chiu)

Second: Commissioner Alberts

Ayes: 6

Neys: 1 (Commissioner O'Connor)

Item 9- Election of Vice President of the Small Business Commission

Motion: Delay elections until March (Commissioner Thigpen)

Second: Commissioner Alberts

Ayes: All

Item 10- Commissioner and staff reports

Commissioner O'Connor introduced and welcomed new Commissioner Irene Yee Riley and asked her to say a few words about herself and her background. Commissioner Irene Yee Riley said she was a retired employee of Bank of America for over 30 years. Her last assignment with Bank of America was that of Market President for the Community Development Banking Group, in which she was responsible for affordable housing and tax credit investment for the five Western states. After she retired she said she served on the Housing Authority Commission for a year and half and said she also owned a business for a long time while working for Bank of America, adding that her family still owns a small business. She said she is very passionate about small business and said she looks forward to working with the Commission to help small business in San Francisco. Commissioner Thigpen reported that both she and acting director Briones Ubalde have been serving on the Small Business Week planning committee and said they are in the process of planning events and activities around that. She announced Small Business Week would be May 12-17; beginning with the kick-off event at City Hall hosted by Mayor Newsom as in previous years, and said the event would again feature Flavors of San Francisco with food and drinks provided by local restaurants, caterers and lounges. She announced that the kick off event would be on Monday, May 12 from 5:30-8:30PM, stating that it is open to the public and is a celebration and recognition of small businesses and their contributions to the city. She reported that the event would also feature the Small Business Administration's award presentations. She also reported that there several events planned during the week, adding that this year there would be a stronger green business component and said folks should hold the dates. Finally, she presented acting director Briones Ubalde with a certificate of honor on behalf of the Commission as she and the rest of the members of the Commission expressed their gratitude for Mrs. Briones Ubalde and all her work over the years. Acting Director Briones Ubalde thanked everyone for their kind words and for their support and assistance over the years. She reported on her work on streamlining the permits for the restaurant industry, stating that the group that has been working on this issue has prepared a report that she would like to be presented at the March meeting. She said there are 5 documents that have resulted from these efforts including a pre application checklist and city contact list among others.

Item 11 - Haight Street Neighborhood Commercial District – Full Service Restaurant

Regina Dick-Endrizi, Legislative Aid to Supervisor Ross Mirkarimi reported that the legislation came about because her office had been approached by a person from the neighborhood who wanted to open a restaurant on Haight Street at Lyon. She reported that due to the moratorium that in is place, a new restaurant use was not permitted and the applicant was unable to pursue their plans. She said many folks from the neighborhood contacted their office when they learned of this and asked for their support. She said the legislation is in response to the neighborhood's request and said they have modified the Neighborhood Commercial District to allow for the addition of four new restaurants in the neighborhood. She said since the original legislation which prohibited new restaurant uses in the neighborhood, the number of restaurants dropped significantly from 51 to 37. She said they circulated the changes and said that the neighborhood organizations are in support and said she welcomed the Commission's support as well. Commissioner O'Connor thanked Ms. Dick-Endrizi for bringing this forward to the Commission for support. He agreed that it made sense to revisit this, particularly in light of the fact that the number has decreased significantly, not to mention that the Haight Street neighborhood could use a few more

nighttime serving restaurants.

Motion: Support the proposed legislation as presented (Commissioner Thigpen)

Second: Commissioner Chiu

Ayes: All

Item 12 - SF Energy Watch & T12 Ordinance Presentation & Update

Alena Gilchrist of the Department of the Environment said that 15 months ago Commissioner Ventura assisted the Department of the Environment identify a contractor to run a small business direct install program similar to other programs that have aimed to help businesses reduce their energy use through efficiency upgrades. She reported that a year ago they successfully hired an installer and the Commission endorsed the program, stating that it had been six months give or take since she last updated the Commission. With that, she provided a program overview for 2007. She began with refrigeration activity, which in the past the Commission had shown a lot of interest in reducing usage there. She said they identified 257 potential sites and have installed 213 of them. She said that the total project would have cost small businesses over half a million dollars for the work done so far, stating that the incentive paid on that from the program was 87%, adding that there was a shared co payment of just over 73 thousand. She said the average annual savings per customer for refrigeration upgrades was just over \$2,000. With respect to lighting installations, she reported they identified 278 businesses and installed 244 of them, for a total project cost of \$911,621. She said the shared co payment was \$275,276, or 70% in program incentives. She reported that the lighting portion made up 60% of the program, while refrigeration made up 53% of the program totals, and said in total they have realized 457 installations for a total savings of over 1.3 million dollars, or nearly \$3,000 annually per customer. With respect to the composition of participating businesses, she reported that 32% were businesses whose first language was something other than English, 74% were businesses with fewer than 10 employees, and 60% of businesses were non property owners. Furthermore, she showed a couple of slides that broke down lighting and refrigeration by zip codes, and pointed out that they were quite successful reaching out to businesses in the 94124 zip code. Commissioner O'Connor asked why lighting incentives were so much higher in the 94107. Alena Gilchrist responded that there was a very large installation in that area code at the Golden Gate Recycling and Disposal facilities. She continued stating that the small business direct install program goals are 13.5 million kwh, and said they have achieved just over 8 million kwh, stating that they have exceeded their goals. She said that they are also exceeding their billing to date, and their goals are exceeding their billings which she said is a real good thing. Finally, she said that per PG&E they can only claim 80% of their achieved savings, and reported that at the 80% level they are paying out about 27 cents a kwh as a program, adding that in real dollars it's 21 cents. She shared some case studies of businesses that did the direct install and their savings. Commissioner Ventura congratulated DOE for their success thus far, but commented that he would like to see more small business participation in term of lighting performance. He asked about the outreach and collaboration with neighborhood groups to inform businesses of the program. Alena responded stating that there is some overlap, which is evident in the numbers, stating 60% and 53% do not equal 100%. She said they have not been as successful in doing presentations to merchants associations, and said they have found that in the small business community it is really word of mouth that works. Commissioner Thigpen thanked both DOE and Commissioner Ventura for leading this effort. She said she appreciated the promotion of the Commission in their efforts and that it is helpful. Alena introduced Cal Broomhead, also of the Department of the Environment to talk about an upcoming lighting efficiency ordinance. Cal Broomhead said the lighting ordinance essentially amends the building code by adding a chapter that requires commercial buildings to install more efficient fluorescent lighting or other lighting efficiency measures by 2009. He explained that the intent is not to pick on small businesses and said that there is already a residential ordinance which takes place at time of sale. He explained that with the Fluorescent Lighting Ordinance they are going after the 4 and 8 foot lamps only, not some of the other specialty lamps, since it would not be very cost effective or easy to do. He said they are also looking to exclude equipment and display cases, stating that often such equipment is part of something else and they would rather not go there. He said there is an 81 lumens per watt definition and said that it is because they can't talk about T12 requiring a T8 or better conversion because the Federal government will outlaw the T12 in 2012 and local law can not preempt federal law, but he said they are allowed to come up with a performance standard, which they did, and said that it will de facto apply to almost all T12 and magnetic combinations. He said they do have an option for businesses who can't afford to do this, and who don't often use their lights, and said they applied an occupancy sensor, for businesses for which who this would be a more cost effective solution. He said the ordinance also provides an exclusion for hardships, which requires the Building Department to sign a waiver. He talked about the enforcement, stating that there is a provision that says you should have a knowledgeable professional take a look. He said the cut off date is December 31, 2008 and said it would be enforced upon an electrical

inspection. He said the impact of the ordinance is a potential cost savings estimate of \$27.9 million annually, and said that there are an additional 85,000 lamps or 7,000 sites to be done, adding that PG&E has been very supportive and has money to do the work if the interest is there. Commissioner Thigpen asked what the status of getting city buildings off fluorescents is. Cal Broomhead said several city departments have projects going on right now to do this, but reported that it may take another couple of years to get everyone off fluorescents. Commissioner Ventura said he would like to see an effort made to work with the local merchants to increase participation in the small business corridors. Commissioner O'Connor suggested that DOE may want to attend the upcoming District 5 Summit with Supervisor Ross Mirkarimi to promote their programs.

Item 13 – Neighborhood Drop Off Site Program

Brook Summerfeldt, Residential Toxics Reduction Associate with the Department of the Environment presented DOE's Neighborhood Drop off Site program, stating that they have a hazardous waste facility where they collect hazardous waste, including pesticides, car batteries, old paint and things of that nature. She said the program is a convenient toxic materials recycling program for San Francisco residents, with over 100 drop off sites identified, including 25 fluorescent light drop off sites, and 9 latex paint drop off sites across the city. She said her goal in presenting to the Commission is to increase small business participation in the program, and have more small businesses sign up to become a drop off site. She said the benefits to businesses would be an increase in sales and store traffic, recognition as a good neighbor, and promotion of their business in program advertisements. She asked for the Commission's support and suggestions for ways to reach out to more small businesses about the program, particularly in the Sunset neighborhood. Commissioner Chiu said he would be willing to discuss this further and offer suggestions. Commissioner Thigpen suggested that they reach out to the Coalition of San Francisco neighborhoods, an umbrella organization with various groups as members, as well as the Council of District Merchant Association. She also suggested participating in Small Business Week. Brooke asked if the Commission would be willing to endorse a letter to support the program. Commissioner Thigpen agreed that a letter would be helpful when they do outreach to inform business owners that the program is endorsed by the Commission, but said a mailing would be too costly. Commissioner Riley suggested attending the meeting of the Sunset Merchants to promote the program to their membership.

Motion: Commission to support the program and endorse a letter in support of the program (Commissioner Thigpen)

Second: Commissioner Chiu

Ayes: All

Item 14 - Resolution urging the Mayor and the Board of Supervisors to authorize a budget expenditure to evaluate different business tax options

Commissioner Chiu stated that per last months presentation on the criteria for a tax system analysis he and Commissioner Thigpen had prepared the proposed resolution for the Commission's approval, and said essentially it is requests that the Board of Supervisors and the Mayor authorize some funds to either hire a consultant or direct staff to evaluate alternative tax structures. He said there is consensus that the current payroll tax is not appropriate, and said the idea is to do something about by evaluating other options. Commissioner Alberts asked why the Mayor's Office couldn't do it as part of their work. Commissioner Chiu responded stating that they specifically said they don't have the resources to do such an evaluation. Commissioner Alberts suggested putting together a proposal and pitching it to Berkeley's School of Business who would assign it to graduate students. Commissioner Thigpen expressed her opposition to Commissioner Alberts suggestion, stating that the suggested evaluation required a very skilled level of expertise, and said she did not think it would be appropriate for students. Commissioner O'Connor said one problem or issue he has with hiring outside consultants to do work is the fact that sometimes the consultant ends up being hired by the city as an employ such as is the case with Ted Egan who was hired to do the Economic Analysis and now works for the city. Commissioner Chiu suggested an amendment that would remove the hiring of staff language and instead to add language stating that when the budget appropriations are made the Mayor's Office should come back to the Commission to get input on how to proceed.

Motion: Approval of the resolution with amendment (Commissioner Chiu)

Second: Commissioner Alberts

Ayes: Unanimous

Item 15 - Solar Incentive Loan Program & General Obligation Bond Election Presentation Item tabled

Item 16 - Green Building Ordinance Presentation

Item tabled

Item 17- New Business

Janet Clyde, owner of Vesuvio and a member of the public expressed her concerns over the city's recent employer mandates, stating that it is proving too much for many businesses and they are looking to move to South San Francisco with their employees. She asked the Commission to be aware and to begin taking note of the affects of these mandates and the impact they have on the local small businesses and to look at ways to help them. Commissioner Alberts referred Ms. Clyde to the city's recent Economic Impact Report, which details this to some extent. Commissioner O'Connor commented that his requests for analysis and impact to small business and the local small business economy from the proposed Health Care mandate had gone ignored and said the legislations was pushed through rather swiftly in his opinion with a disregard for it's impact. He expressed his frustration with this and agreed that analysis ought to be done. Commissioner Thigpen commented on a discussion at the December meeting with regard to Formula Retail legislation before the Commission, and said that at that time, the Commission was told that it was on a 90 day timeline and that there would be plenty of time for review. She said the Commission was under the impression that they would hear the legislation again at the February meeting, but said it was not on the February agenda, adding that she understood that even if it had been on the agenda it would have been a moot point because there was a surprise movement to accelerate the timeline without proper notice, and said that it would be heard by the Planning Commission. She said she finds the behavior to be unacceptable on many levels and said the point is that there was a timeline and the Commission believed there was time given the timeline to do proper outreach which had not been done by the sponsor of the legislation in the first place, and then the timeline changed without notice. Commissioner Ventura said the item was heard the prior Thursday by the Planning Commission and said it was continued to this coming Thursday and said that even if it had made the agenda there would not be enough time for the Commission to weigh in, stating that the Planning Commission will vote on it.

Item 18 - Adjournment

Motion to adjourn: Commissioner Chiu

Seconded: Commissioner Thigpen

The meeting was adjourned at 7:52 P.M.



SMALL BUSINESS COMMISSION NOTICE OF MEETING & AGENDA



MONDAY, MARCH 10, 2008

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

- SF
SSD
#1
3/10/08
1. **Call to order and roll call:**
 2. **Approval of the February 11, 2008 meeting minutes:** (Action Item) Explanatory Documents:
Draft February 11, 2008 minutes
 3. **General public comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item)
 4. **Commissioner and staff reports:** Allows Commissioners and staff to report on recent small business activities and make announcements (Discussion Item)
 5. **Small Business Assistance Center updates and budget discussion:** Update, discussion and possible action on implementation of the Small Business Assistance Center. Presentation by Rich Hillis of the Office of Economic & Workforce Development (Discussion/Possible Action Item)
 6. **Small Business Week update:** Presentation and update on Small Business Week 2008. Presentation by Louise Dawson, Project Consultant, Small Business Week Committee (Discussion/Possible Action Item)
 7. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item)
 8. **Adjournment:** (Action Item)

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March 10, 2008

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION**

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

MEETING MINUTES

Monday, March 10, 2008 5:30 PM

Small Business Commissioners:
David Chiu, Gus Murad, Richard Ventura, Irene Yee Riley
Commission Secretary – Regina Dick-Endrizzi
Members Absent: None

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Call to order:

Item 1 - Roll call

The Small Business Commission met on Monday, March 10, 2008 in regular session. The meeting was called to order at 5:34PM. Commissioners David Chiu, Gus Murad, Irene Yee Riley and Richard Ventura were present.

Item 2 – Selection of Commissioner to Run the Meeting

The meeting did not have a President, Vice-President or Executive Director in attendance. Therefore, under the advice of the Small Business Commission's City Attorney, Alicia Cabrera, the commission Secretary called for a volunteer and/or nominations for a commissioner to run the meeting. Commissioner Richard Ventura volunteered without objection of the remaining Commissioners.

Item 3 – Approval of the February 11, 2008 meeting minutes

Commission Chiu noted Item 14, a resolution urging the Mayor and the Board of Supervisors to authorize a budget expenditure to evaluate different business tax options, needs to reflect that a motion was made and approved unanimously by the commission.

Motion: Approval of the February 11, 2008 minutes pending amendments as noted above (Commissioner Chiu)

Second: Commissioner Murad

Ayes: 4

Item 4 – General public comment

None

Item 5 – Commissioner and Staff Reports

Commissioner Ventura announced the new Director of the Office of Small Business, Brajah Norris. Brajah was one of the candidates advanced by the Small Business Commission to Mayor Newsom. Mayor Newsom announcement his decision for this appointment on February 29, 2008

Item 6 – Small Business Assistance Center Updates and Budget discussion:

Rich Hillis of the Mayors Office of Economic and Workforce Development (OEWD) was in attendance to provide an update and report to the Commission: The new Director, for the Office of Small Business, Brajah Norris, worked under Mayor Willie Brown in the Mayors Office Neighborhood Services, moved to Florida started a small business and has returned to San Francisco and will start work on March 17, 2008. Other staff positions have been hired: Martha Yanez, currently working with Small Business Commission has been promoted to Supervisor for the Small Business Assistance Center; Regina Dick-Endrizzi, hired as Project Manager previously worked as a Legislative Aide to Supervisor Ross Mirkarimi and has previous experience working for a small to large retailer in San Francisco; and Holly Lung, also hired as a Project Manager for the Assistance Center, has a legal background and has been working in the Mayor's Office Community Development and the Office of Economic and Workforce Development. OWED moved forward with the hiring of the staff so that Brajah has a team and is ready to move forward when he starts

next week.

Office space has been secured in the Treasurer's office. Staff in the Treasurer's office does have to move before the Small Business Assistance Center can move staff in and hoping for a May 1st move in date. Currently the staff is housed on the fourth floor with temporary office space for the assistance center. Rich noted that the Commissioners had questions regarding the budget and recommended that a detailed discussion of the budget be held at the next commission meeting. OEWD has asked for \$750,000.00, which includes, staff, fringe benefits for staff and a place holder for the remainder of the funding. There is funding available for other items and the commission can weigh in on and make the decisions with Director, Brajah Norris at the April meeting. Commissioner Ventura asked Rich Hillis for clarification as to whether the discretionary budget allocated to Small Business Commission is inclusive or in addition to the \$750,000.00 office budget? Rich Hillis confirmed that the commission's budget is inclusive. Commissioner Chiu gave congratulations on assembling the team. He noted the significant concerns of the small business community in the time it took to get the Small Business Assistance Center to this point and asked if Rich foresees any problem in appropriating the 08-09 budget? Rich Hillis stated that he does not envision a problem in appropriating the budget amount or that there was an expectation set that the Small Business Assistance Center would be up and going in 30 to 60 days. He stated that the Small Business Assistance Center will have taken significant steps and more will be accomplished by the end of the year. The commission will be able to identify to the Board of Supervisors significant accomplishments and also the Small Business Center is a mandate from the voters. Because it took time to assemble a solid staff, there is some saving in salary for this year, adding that at this time the Board of Supervisors has not given any indication that they have concerns with the timing of the development of the Small Business Assistance Center. Rich Hillis also announced that the Mayor Newsom appointed Darlene Chiu to the Small Business Commission on March 10, 2008.

Action: None

Five Minute Break

Item 7- Presentation and update on Small Business Week 2008:

Presentation by Louise Dawson, Project Consultant, Small Business Week Committee. This year Small Business Week (SBW) is held May 12-17, 2008 to coincide with the national Small Business Week organized by the national Small Business Administration. San Francisco's Small Business Week is a collaboration of Small Business Commission and the new Office of Small Business, Small Business Administration, Small Business Development Center, Chamber of Commerce, and Fiscal Sponsors. The committee is currently working on the calendar of events and the three big networking events to make note of are:

1. Flavors of San Francisco, Monday, May 12, 2008. This is the gala kick-off event at City Hall. This event includes opening presentation by the Mayor, presentation of the Small Business Administration's Small Business Awards, and Resource Fair. The resource fair is a way to highlight the City's resource providers, non-profits and neighborhood restaurants.
 2. Chamber of Commerce After Hours Grand Expo, Wednesday, May 14 at the Hilton Hotel. It will have 100 exhibitors and is designed to build relationships between small, mid-size and large business.
 3. Small Business, Green Business (new event this year). Thursday, May 13, at PGE. This event is sponsored by PG&E. The event consists of seminars and power panel with guest green experts in a Q&A format. There will also be a vendor expo and resource fair. The goal is to provide business as many resources a possible to get information on greening one's business and sustainable management, with the outcome of providing a Green Business Resource Guide.
- Seminars, workshops and other networking events will be scheduled by the Small Business Weeks hosts and partners throughout the week. A few of the workshop series currently planned are, Start Your Own Business (sponsored by Wells Fargo, SBA), A Day in the Life (sponsored by Microsoft), Business on the Go (sponsored by Cisco), and Finance your Business (sponsored by SBA and Wells Fargo). The calendar for other events and workshops is still being developed. April 7, 2008 is the target date for the launch of the website.

The week will end with Sidewalk Sales hosted in various merchant corridors on Saturday, May 17. The goal for Small Business Week is to help drive revenue to small retail business by waiving the Department of Public Works Revocable Temporary Occupancy permit fees and promoting the sale through all the media and marketing collateral.

I am small business , is the public relations campaign for this year. The goal of the campaign is to put a face on Small Business owners and tell their unique and personal stories through the various media collateral; the teaser commercial, Blog on website, Examiner supplement, Comcast commercial, and Small

Business Week brochure and event program. Commissioner Riley asked Louise for a copy of the Power Point presentation. Commissioner Ventura noted the commission participation by drafting the legislation to waive the fees. Merchant corridors such as Merchants of Upper Market/Castro did very well last year. He wanted to know what the commissioners could to help the SBW committee in the next several weeks help identify corridors to participate. Louise Dawson noted that the committee could use their assistance networking with merchant associations and encourage them to participate. She also asked the commission to for feedback on whether there is something else that can be done to generate a greater value. Commissioner Ventura noted that the office can contact last year's honorees and inform them of the sidewalk sale and see if they can serve as an advocate in their corridor. He also suggested that all the commissioners talk to merchant associations they have a relationship with and see if they are willing to participate. Commissioner Murad agreed to talk to his contacts. Commissioner Riley needs to have Louise or staff provide more information and talking points since she was not involved in last year's sidewalk sale. Once she gets the information she will talk to the Sunset and Richmond merchant associations and the Chinese Chamber. Louise Dawson said she will put something together for the Commissioner Riley. Commissioner Ventura requested that this also be forward to staff and distributed to all Commissioners. The trailer for Small Business Weeks was viewed by the Commission.
Action: None

Item 8- New Business

Commissioner Ventura proposed having Small Business Week update at the April meeting and for the Commissioners report out what merchant associations they were reach get commitment to participate in Small Business Week for the sidewalk sales and do a follow up on the legislation in order to waive the permitting fees.

Item 9 - Adjournment

Motion to adjourn: Commissioner Riley
Seconded: Commissioner Muard

The meeting was adjourned at 6:08 P.M.



SMALL BUSINESS COMMISSION NOTICE OF MEETING & AGENDA



5F
552
#1
4/14/08
MONDAY, APRIL 14, 2008

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

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- 1. Call to order and roll call:**
- 2. Election of the President of the Small Business Commission:** Allows the Commission to elect a member of the Commission to serve as President of the Commission. Requires motion and vote (Action Item).
- 3. Election of the Vice-President of the Small Business Commission:** Allows the Commission to elect a member of the Commission to serve as Vice President of the Commission. Requires motion and vote (Action Item).
- 4. Approval of the MARCH 10, 2008 meeting minutes:** (Action Item) Explanatory Documents: Draft March 10, 2008 minutes. (Action Item).
- 5. General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item).
- 6. Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements (Discussion Item).
- 7. Director's Report:** Update and on the implementation of the Small Business Assistance Center and report on recent small business activities and make announcements (Discussion Item).
- 8. Discussion and possible action to make recommendations to the Board of Supervisors on File #080321 [Promoter Permit Ordinance]:** Ordinance adding Article 15.7 to the San Francisco Police Code, requiring promoters to obtain promoter permits in order to promote events within the City and County of San Francisco. Presentation by Bob Davis, Executive Director, Entertainment Commission. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080321.
- 9. Discussion and possible action to make recommendations to the Board of Supervisors on File #080322 [Prohibit Loitering Outside Nightclubs]:** Ordinance amending the San Francisco Police Code by adding Section 121, to prohibit loitering outside nightclubs. Presentation by Bob Davis, Executive Director, Entertainment Commission. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080322.

SMALL BUSINESS COMMISSION
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SMALL BUSINESS COMMISSIONERS
DAVID CHIU
DARLENE CHIU
JANET CLYDE
GUS MURAD
MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

10. **Discussion and possible action to make recommendations to the Board of Supervisors on File #080323 [Entertainment Commission – Place of Entertainment Permits]:** Ordinance amending the San Francisco Police Code Sections 1060, 1060.1, 1060.2, 1060.3, 1060.5, 1060.20, 1060.23, 1060.24, 1060.25 and 1060.29; repealing Section 1060.22; adding Sections 1060.23-1, 1060.30 and 1060.31, relating to the application, approval, amendment, suspension, revocation, and transfer of Place of Entertainment Permits and One Night Event Permits, including changes in penalties for violations of law, and amending the San Francisco Business and Tax Regulations Code by amending Section 8 to provide an additional category of permit suspension and revocation actions that are not suspended pending a decision by the Board of Appeal. Presentation by Bob Davis, Executive Director, Entertainment Commission. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080323.
11. **Discussion possible action to make recommendations to the Board of Supervisors on File #080324 [Entertainment Commission – Extended-Hours Premises Permits]:** Ordinance amending the San Francisco Police Code Sections 1070, 1070.1, 1070.2, 1070.3, 1070.5, 1070.7, 1070.8, 1070.13, 1070.15, 1070.16, 1070.17, 1070.19, 1070.20, 1070.22, 1070.23, 1070.24, and 1070.27; amending Section 1070.20-1 and renumbering it as Section 1070.20-2; repealing Sections 1070.12, 1070.21, and 1070.26; and adding a new Section 1070.20-1 and Sections 1070.28 and 1070.29, relating to the application, approval, amendment, suspension, revocation, and transfer of Extended-Hours Premises Permits, including changes in penalties for violations of law. Presentation by Bob Davis, Executive Director, Entertainment Commission. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080324.
12. **Small Business Week update:** Presentation and update on Small Business Week 2008. Presentation by Brajah Norris, Director, Office of Small Business. (Discussion/Possible Action Item).
13. **Discussion and possible action on File # 080477 [Waiver of Temporary Street Space Occupancy Fee on May 17, 2008 for Small Business Week]:** Ordinance waiving the fee in Public Works Code Section 724.1(b) for temporary street space occupancy in certain sections of the City on Saturday, May 5, 2007 as part of Small Business Week. Presentation by Brajah Norris. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080477
14. **Resolution proclaiming May 12, 2008 to May 17, 2008 Small Business Week in San Francisco:** Presentation, discussion and possible action for the Commission to approve the proposed resolution proclaiming May 12, 2008 to May 17, 2008 Small Business Week in San Francisco to be introduced at the April 15 Board of Supervisors meeting. Presentation by Brajah Norris (Discussion/ Action Item). Explanatory Documents: Draft Resolution.
15. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
16. **Adjournment:** (Action Item)
Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available for public inspection and/or copying at City Hall, Room 448. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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BRAJAH Q. NORRIS, DIRECTOR
REGINA DICK-ENDRIZZI, SECRETARY

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April 14, 2008

CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

MEETING MINUTES
Monday, April 14, 2008 5:30 PM

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Small Business Commissioners:

In Attendance: David Chiu, Janet Clyde, Michael O'Conner, Gus Murad, Richard Ventura, Irene Yee Riley
Members Absent: Darlene Chiu

Executive Director: Brajah Q. Norris
Commission Secretary - Regina Dick-Endrizzi

Call to order: 5:36 PM

1. Call to order and roll call: The Small Business Commission met on Monday, April 14, 2008 in regular session. The meeting was called to order at 5:35 PM with quorum. Commission Irene Riley arrived at 5:39 PM.

2. Election of the President of the Small Business Commission: Commissioner O'Conner as Chair requested that the Item #2 be taken out of order and brought back later in the agenda.

3. Election of the Vice-President of the Small Business Commission: Commissioner O'Conner as Chair requested that the Item #3 be taken out of order and brought back later in the agenda

4. Approval of the MARCH 10, 2008 meeting minutes:

Motion: Approval of draft minutes by Commissioner Ventura

Second: Commissioner David Chiu

Ayes: Commissioners David Chiu, Clyde, O'Conner, Murad, Riley, Ventura

2. Election of the President of the Small Business Commission: Commissioner O'Conner as Chair called for Item #2 to be heard and called for nominations for Commission President. Commissioner Ventura self-nominated for the Commission President position. **Commission David Chiu** seconded Commissioner Ventura's nomination. **Commission O'Conner** self-nominated for the Commission President position. **Commissioner Janet Clyde** seconded the nomination. **Commissioner David Chiu** called for discussion and requested the commissioner hear from the two candidates on their interest for the position.

Commissioner Ventura provided a handout to the commissioners that identified his past accomplishments as a Commissioner; the seat he holds representing the non-profit sector; his working knowledge of the small business community and the issues within the community; he authored a white paper in 2004 on 4 years if study that is moving into another white paper that addresses minority, women and disabled vets owned business participation in supplier diversity programs. He spoke of his strong working knowledge of other business groups and is looking at designing a program that can be implemented through a variety of groups and increase competitive advantage; he assisted 2 small business that enabled them to stay or relocate within San Francisco; and as Commissioner he made a commitment to Small Business Week. Over the last two years he worked to raise approximately \$105,000 in sponsorship, and over \$240,000 in trade for media and outreach for Small Business Week. He will call for a retreat to have the commission identify goals for the Commission and the Small Business Assistance Center. He wants to see the commission become more active during Commissioners report and Commissioner become more active in moving the goals of Commission forward.

Commissioner O'Conner presented his personal experience of going through the permitting process of his own business, which took a year and half, including going through the Board of Permit Appeals. While on the Commission he has brought attention to the challenges small business go through with the City to get their business open while at the same time having to pay rent. Michael spoke of the a task force he formed in a collective effort with the previous director, Agnes Briones, the Commission and other members of the Small Business Community, to see the creation of the Small Business Assistance Center. He worked to provide a role to give the small business community a strong voice through the development of the Health Care Security Ordinance that Supervisor Ammiano sponsored. He said it is important to have commissioners that do understand the struggles of running a business, paying the bills, and understand the cost and the impact of these fees not just as individual but for the community of small business. He also mentioned his participation in Supervisor Maxwell's Back Street Business Task Force and wants to use it as a springboard to get the Commission move involved in land use and planning issues that affect the future of San Francisco and that small business is one of the greatest contributors to the neighborhood experiences in San Francisco.

Commissioner David Chiu said that he thinks extremely highly of both Commissioner O'Conner and Ventura and both are capable and will provide good leadership. He then stated his support for Commission Ventura during this vote and that it is important to rotate leadership to inject the commission with new ideas and a new style. He noted that Commissioner Ventura has worked hard behind the scenes on many issues the commission is working on and that it is on his agenda to reach out to ethnic and immigrant communities which is one that the commission has not focused much on. He said that whichever colleague wins the vote he will support a motion to have the other person as Vice-President unless any of the other commissioners is interested in the position. Commissioner Riley asked each nominee, if elected as President, what were their plans, goals and objectives for the commission. Commissioner O'Conner answer that his first and foremost goal is to work with staff to make sure that our meetings are addressing legislation that goes through the Board of Supervisors, Mayor's Office and the Planning Department, et cetera; the commission is to address significant matters of the small business community; have the commission and staff reach out to the various facets of the small business community and plans to increase public participation in meetings. His second goal is to work with the staff so that the small business center is up and running as soon as possible and will be as efficient as possible.

Commissioner Ventura answered that he first wants to look at goals that were discussed last year and have yet to be met, and will look at new goals to support our Small Business Assistance Center and staff; that the commission operate as a board of directors and look at relationships that can be fostered to ensure the success of the Small Business Assistance Center. He mentioned his work behind the scenes with the City as whole with the Mayor's executive order to improve city purchasing with small business and wants to develop more from that forum that occurred earlier this year and to continue the work with streamlining permitting process.

Commissioner O'Conner called for a vote for Commissioner Ventura for President.

Ayes: Commissioners David Chiu and Richard Ventura

Nayes: Commissioners Clyde, O Conner, Murad, Riley

Commissioner O'Conner called for a vote for Commissioner O'Conner for President.

Ayes: Commissioners Clyde, O Conner, Murad, Riley

Nayes: Commissioners David Chiu and Richard Ventura

Four votes in favor of Commissioner O'Conner, Commissioner O'Conner is elected President.

3. Election of the Vice-President of the Small Business Commission: Commissioner David Chiu made a motion to nominate Commissioner Ventura as Vice-President. There were no additional nominations.

Motion: To elect Richard Ventura as Vice-President, Commissioner David Chiu

Second: Commissioner Murad

Ayes: Unanimous – David Chiu, Unanimous - Clyde, Murad, O'Conner, Riley, Ventura

5. General Public Comment:

None

6. Commissioner Reports: Commissioner Riley noted that at the last meeting she agreed to contact some of the merchant associations to see if they would participate in the Small Business Week Sidewalk Sale. She spoke to Eva Lee of the Chinatown Merchant Association and they are interested in participating but concerned that they have missed the deadline for the waiver. **Commission Secretary Regina Dick-Endrizzzi** informed the Commission that two other merchant organizations came in after the deadline and if the Commission agrees, she can ask the Board of Supervisors to amend the legislation to

include the three merchant areas. The Commission agreed that the legislation is to be amended.

7. Director's Report: New Office of Small Business, Director Brajah Norris began his directors report with an update on the opening of Small Business Assistance Center and the target opening date to be May 12, the same day as the kick-off for Small Business Week kick-off. The timing of delivery of materials is the only foreseeable delay in the May 12 deadline. Director Norris introduced the new staff, Martha Yanez, has moved from the Commission Secretary position to the Small Business Assistance Center Supervisor. Martha will oversee the Small Business Assistance Center and will oversee one more small business counselor; Regina Dick-Endrizzi has come from the Board of Supervisors and is now the Commission Secretary and Senior Legislative Analyst and focus on legislation policy that needs to come before the commission for review and analyst before it goes before the Board of Supervisors for a vote; and Holly Lung is a project manager and will work on the website, researching data system that will be put in place to track who contacts the Small Business Assistance Center for help. He noted this is a complex piece of technology that will likely have some changes as the office develops. He said the last position that needs to be hired is the small business counselor and that the job description was modified so that the position both administrative and business counselor. Interviews will begin in the first week of May and hired in the second or third week of May. Director Norris then gave his budget report. He said that the department is on budget and in some areas under budget and he will be able to give a more itemized budget at the May meeting. He then requested from the commissioners that a process be followed to place items on the agenda, and that is process to place their request to the commission secretary two Fridays before the Monday commission meeting. Director Norris noted the need to change the May commission meeting from May 12 to May 6, due to Small Business Week kick-off event is May 12. **Commissioner Murad** said that he had responded to the commission secretary that he will be away on business on May 6. **Commissioner Chiu** noted he has a conflict starting around 6:00 PM and available only for the first half hour. **Commissioner O'Conner** requested that the meeting start earlier and it was agreed that the commission meeting will start at 5:15 PM. The last item **Director Norris** asked the commission to consider is a possible retreat for the Commission. **Commissioner O'Conner** agreed and asked **Commissioner Ventura** for his opinion on whether a full day or half day is needed. **Commissioner Ventura** said that a minimum half day but that it should be schedule according to what needs to be accomplished in the retreat. **Director Norris** asked the Commissioners to email him suggested items that they want to see covered in the retreat. **Commissioner O'Conner** noted that a full day is a significant amount of time out to take out from the Commissioners schedule and that a well planned retreat can be accomplished in a half day. **Commissioner Chiu** noted that in the 4 month report the Office of Small Business is to note which departments are providing services and asking requirements of small business. He said the report is to be provided from the Director to the Commission in the first four months of the legislation being implemented and requested for the next meeting if possible report on this item. He said he is personally interested in looking at ways we can consolidate and improve these impacts on small business. **Director Norris** inform the Commissioner that he has begun to set up meeting with department head to begin such discussion and established designated liaisons and will report to the Commissioners as these relationships are established.

8. Discussion and possible action to make recommendations to the Board of Supervisors on File #080321 [Promoter Permit Ordinance]: Before **Bob Davis**, Executive Director, Entertainment Commission gave his presentation he spoke to the synergy between the Entertainment commission and the Small Business Commission since many night club owners and entertainment facilities are small business owners and that it is important to have the two commission work together on policy matters. He then began his presentation on the legislation informing the Commission that the Promoter Permit Ordinance is legislation from the Mayor's Office that grew out of a safety summit held in January 2008. The Entertainment Commission held a hearing and at the hearing several items of concern were raised and the legislation may now be amended. **Bob Davis** asked the Commission to continue item #080321 and bring it back when it has been worked on a bit more. **Commissioner O'Conner** commented that he attended the Entertainment Commission hearing and from his personal experience he understands that this legislation might bind permit holders up too much, but he also supports the intent of the legislation to address violence and safety issues the City has been having at clubs. He noted that people who put on events have to be responsible. He hopes that the details can be improved upon and worked out but that people do remember this is about violence prevention. **Bob Davis** concurred with Commissioner O'Conner and he will continue to work with the Small Business Commission on this matter.

9. Discussion and possible action to make recommendations to the Board of Supervisors on File #080322 [Prohibit Loitering Outside Nightclubs]: **Bob Davis**, Executive Director, Entertainment Commission asked the Commission to also continue item #080322 as and bring it back

when it has been worked on a bit more. He stated that there is generally support for this legislation, but since this is a first amendment issues there needs to be a more careful definition of loitering and the City Attorney is providing the Entertainment Commission with a memo on the guidelines to be used. This legislation will likely be ready for the May commission meeting and he will bring it back for the May meeting. **Antoinette Mobley**, Corridor Manager for Third Street Corridor Project said she understood the loitering in relations to nightclubs, but asked the Commission what about loitering in front of small business and that it too is a safety issue and who do small business get support from on these issues? **Bob Davis** did say that the Small Business Commission may be able to look to the legislation that is currently being developed for guidelines, after it is in use and is a tested sustained any challenges. **Antoinette Mobley** said that she will follow this closely and that steering committee she meets with monthly this is one of the top issues that keep coming up again and again and that loitering greatly affect retention and attracting small business. **Commissioner Murad** said that the legislation has to be careful not to put the responsibility on the business to implement the law if it put in place. He noted that a business can be put in a bad position with someone on the sidewalk and then it could become the fault of the business. **Bob Davis** did agree that this is a concern which is why the Entertainment Commission is working with Mayor's office to proceed in a careful fashion. That there needs to be a way to codify some behavior without trampling on first amendment rights. He reiterated that he will come back to the Small Business Commission for a review.

Commission O'Conner as Chair, agreed to table agenda items 8. and 9., and bring them back for the May 6, 2008 meeting.

10. Discussion and possible action to make recommendations to the Board of Supervisors on File #080323 [Entertainment Commission – Place of Entertainment Permits]: Bob Davis,

Executive Director, Entertainment Commission informed the Small Business Commission that items #10 and #11 are companion pieces amending San Francisco Police Codes 1060 and 1070. He noted that if you change one you need to change the other because one can not get an extended hour permit without a POE. Currently law is that a hearing is to be held and the purpose of the amendment is that in the case of an emergency, where there are acts of violence or problems with an individual venue and when multiple departments within the City determine a need for a cool down period is necessary the Entertainment Commission with 8 hour notice and with participation with the owner as the authority to close them down for 72 hours. The closure is appealable to the Board of Permit Appeals and the Entertainment Commission is willing to work with the owner to modify their permit or business plan to improve safety. He said that in past club owner have been mostly cooperative, but the City needed a tool in case one is not. He then asked the Small Business Commission to move forward with a recommendation. **Commissioner O'Conner** noted there does need to be a mechanism that problematic permit holders know who are not doing a good enough job and in the club world people know it is difficult to get their permits suspended. If it is known that it is not that difficult, they will take more responsibility. He wants to see the Entertainment Commission get more serious about offenders who take the City's safety lightly. **Bob Davis** noted that the two pieces of legislation have been vetted for over a year and the Mayor has now brought it forward.

Commissioner Murad asked for confirmation that the legislation is for both public safety and to make promoters more responsible? **Bob Davis** said yes and noted that this change applies to other extend hours business to maintain control as well. **Commissioner Riley** wanted clarification that was to allow action without a hearing? **Bob Davis** answered yes, for 72 hours, but if the permit holder was not cooperative then a full hearing is held. He said that under current law a regular hearing is an administrative hearing that requires 30 days notice, followed by a full report all the while the permit holder is allowed to operate. This allows the Entertainment Commission to take immediate action and get the permit holders attention and work out a remedy without the hearing process. **Commissioner O'Conner** wanted to know one more comment if there is away to work with the police to get better coverage without having to pay into the 10B program which is expensive. **Bob Davis** then gave a couple examples of efforts work with at Southern Station, such as changing the night shift time from starting at 12:00 am to 2:00 am and assigning a nightclub car and that it is important to bring the permit holders, police, small business and the Entertainment Commission together to develop a plan that is effective and affordable.

Motion: Approve File #080323 - Entertainment Commission – Place of Entertainment Permits by Commissioner Muard

Seconded: Commissioner Clyde

Approval: Unanimous - Clyde, Murad, O'Conner, Riley, Ventura

11. Discussion possible action to make recommendations to the Board of Supervisors on File #080324 [Entertainment Commission – Extended-Hours Premises Permits]:

Motion: Approve File #080324 - Entertainment Commission – Extended-Hours Premises

Permits by Commissioner Muard**Seconded: Commissioner Ventura****Approval: Unanimous - Clyde, Murad, O'Conner, Riley, Ventura**

12. Small Business Week update: Brajah Norris, Director, Office of Small Business provide an update for Small Business Week, May 12 - 17, 2008. He noted that the Executive Committee has raised nearly \$100,000; the website will be up by April 18, 2008; plan to have the ribbon cutting ceremony for the NEW Small Business Assistance Center at the end of the Flavors of San Francisco program; the calendar has been finalized with networking opportunities, classes and restaurant bootcamp, SF Chamber Grand Expo on May 14 and PGE Green event on May 15. Brajah extended an invitation again to the Commissioners to attend the kick-off and ribbon cutting. Commissioner Ventura asked to the Commissioners and NEDO's be noticed when the website is live. Commissioner Riley asked for timing of the office being open. Director Norris, answered that Business Assistance Center will definitely open by May 12 and the remainder of the office will be in after May 12.

13. Discussion and possible action on File # 080477 [Waiver of Temporary Street Space Occupancy Fee on May 17, 2008 for Small Business Week]:

Motion: Approve Waiver of Temporary Street Space Occupancy Fee by Commissioner Murad**Second: Commissioner Riley****Approval: Unanimous - Clyde, Murad, O'Conner, Riley, Ventura**

14. Resolution proclaiming May 12, 2008 to May 17, 2008 Small Business Week in San Francisco: Motion: Resolution proclaiming May 12, 2008 to May 17, 2008 Small Business Week in San Francisco by Commissioner Murad

Second: Commissioner Ventura**Approval: Unanimous - Clyde, Murad, O'Conner, Riley, Ventura**

15. New Business: Commissioner Ventura wants to discuss having a retreat at next commission meeting and possibly hiring an outside facilitator. **Commissioner O'Conner** request to have City Planning issues around Valencia Street and what is the future of City Planning around Valencia Street and Department of Public Works to speak to the condition of Valencia Street. He also requested that Commissioners take it upon themselves to make requests at future meeting.

16. Adjournment:**Motion: Adjournment by Commissioner Clyde****Second: Commissioner Ventura****Approval: Unanimous - Clyde, Murad, O'Conner, Riley, Ventura****The meeting was adjourned at 6:59 P.M.**



Small Business Commission

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MAY 05 2008

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May 06, 2008 (Special Meeting)

SMALL BUSINESS COMMISSION NOTICE OF SPECIAL MEETING & AGENDA

Tuesday, May 06, 2008
5:15 P.M.

CITY HALL, ROOM 408

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

1. Call to order and roll call:

2. Approval of the April 14, 2008 meeting minutes: Explanatory Documents: Draft March 10, 2008 minutes. (Action Item).

3. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item).

4. Commissioner Reports: Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).

5. Director's Report: Update and report on the opening of new offices for the Office of Small Business and the Small Business Assistance Center, Small Business Week, report on recent small business activities, and any legislative follow up, and make announcements regarding small business activities. (Discussion Item).

6. Discussion and possible action to make recommendations to the Board of Supervisors on File #080438 [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]: Ordinance updating findings based on recent studies: amending San Francisco Health Code Sections 1009.20, 1009.21, 1009.22, 1009.23, 1009.25 and 1009.81, and adding sections 1009.26, 1009.27, 1009.28 and 1009.29, to prohibit smoking in 1) business establishments and bars regardless of whether owner-operated, 2) common areas of multi-unit housing complexes, 3) tourist lodging facilities, 4) tobacco shops, 5) charity bingo games, 6) taxicabs and other motor vehicles owned by the City and County of San Francisco; establishing obligations for property owners and managers to prevent smoking in prohibited areas, defining secondhand smoke from a business establishment located in mixed-used residential and commercial buildings as a nuisance; adding administrative procedures and penalties; deleting criminal penalties; adding provisions for cost recovery and liens; adding provisions for private enforcement of the ordinance, and making conforming changes in the Police Code by repealing Sections 53, 53.1, and 1098 and in the Health Code by repealing Section 1009.24. Presentation by Supervisor Daly's Office. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080438.

7. Transit Effectiveness Project: Presentation and discussion on the preliminary proposals that aim to transform

Muni so people can get where they want to go quickly, reliably, and safely. Route changes may happen as early as July 2009. www.sftop.com Presentation by Julie Kirschbaum or Sally Allen. (Discussion/Possible Action Item).

8. Discussion and possible action to make recommendations to the Board of Supervisors on File #080525. [Planning Code Enforcement]: Ordinance amending the San Francisco Administrative Code by amending Section 10.100-166 to expand the Planning Department's Code Enforcement Fund beyond general advertising signs and authorize the Fund to receive revenues from all types of code enforcement activities, including monetary judgments, and authorize expenditure of the funds for administration and enforcement of all Planning Code violations; amending the San Francisco Planning Code violations; amending the San Francisco Planning Code by amending Section 303(1) concerning relocation of general advertising signs to delete the requirement to submit a site map, clarify that wall signs are included in the requirements and make technical changes to the language of the section, by amending Section 358 to increase the annual inventory maintenance fee for \$48 to \$75 and to clarify use of the general advertising sign inventory fees and that wall signs are included in the requirements, by amending Section 604.2 to provide that violation of the Code's "general advertising sign company" includes the operator of the sign and that wall signs are included in the requirements, to modify language required to be in the affidavit submitted with the sign inventory, to delete the requirement to submit a site map, to conform the penalty and appeal procedure with Section 610, and to make other clarifying and technical changes to the language of the section; adopting CEQA and Planning Code Section 302 findings. Presentation by Elaine Forbes, San Francisco Planning Department. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080525.

9. Presentation by People Wear SF, a new trade association for the fashion industry in SF and the Bay Area: Presentation and discussion by People Wear SF on their plans to encourage and educate apparel companies to understand and implement sustainable practices in the design and production of their apparel. Presentation by Gail Baugh and Jeffrey Betcher of People Wear SF. (Discussion Item)

10. Discussion and possible action to make recommendations to the Office of Small Business Staff on a Letter of Inquiry from Supervisors, Dufty, Maxwell and Ammiano: Requesting/Inquiring: Requesting that the San Francisco Redevelopment Agency, the Office of Economic and Workforce Development, the Planning Department, and the Small Business Commission provide an outline of information and potential options on creating a Home Improvement District along Bayshore Boulevard that has a green and sustainable overlay and character. These recommendations should include incentives for green building suppliers and contractors to open new businesses that will provide sustainable green employment opportunities and help upgrade the Bayshore corridor. These approaches should consider possible approaches to provide a green or sustainable overlay to any home improvement business seeking to replace the prior lessee at the Goodman Lumber site on Bayshore Boulevard. (Discussion/Possible Action Item).

11. New Business: Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).

12. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item).

13. Adjournment: (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. If link is not provided, copies of explanatory documents and other related materials listed in this agenda are available for public inspection and/or copying at City Hall, Room 448. Please call or email Regina Dick-Endrizzi at (415) 554-6481, regina.dick-endrizzi@sfgov.org to make arrangements for pick up or review.

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Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that city operations are open for the people's review. For more

information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6083. To obtain a free copy of the Sunshine Ordinance contact:

Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4683
Office: (415) 554-7724
Fax: (415) 554-5163
E-Mail: sotf@sfgov.org

Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org.

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Translation Services

Interpreters for languages other than English are available on request. Sign language interpreters are also available on request. For other accommodation, please call the Department of Human Services staff support representative at 557-5989 at least two business days before a meeting.

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May 6, 2008

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION**

City Hall, Room 416
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

MEETING MINUTES

Tuesday, May 6, 2008 5:15 PM

Small Business Commissioners:

Members in Attendance: Darlene Chiu David Chiu, Janet Clyde, Michael O'Conner, Gus Murad, Richard Ventura, Irene Yee Riley

Executive Director: Brajah Q. Norris
Commission Secretary - Regina Dick-Endrizz

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Call to order: 5:30 PM

1. Call to order and roll call: The Small Business Commission (SBC) met on Tuesday May 6, 2008 in a special session. The meeting was called to order at 5:35 PM with quorum. Commissioner Michael O'Conner arrived at 5:35 PM. Commissioner Murad arrived at 5:40 pm.

2. Approval of the April 14, 2008 meeting minutes:

Motion: Approval of draft minutes by Commissioner David Chiu

Second: Commissioner Janet Clyde

Ayes: Commissioners David Chiu, Darlene Chiu, Clyde, O'Conner, Riley, Ventura

3. General Public Comment:

None

4. Commissioner Reports: Commissioner Irene Yee Riley reported on the April 27, 2008. Chinatown Economic Forum and address the San Francisco Chamber of Commerce's Small Business Forum. Commissioner Clyde attended the Police Commission meeting at the Central District and at that meeting she proposed creating a database similar to the multiple listing service to list all available business for sale as well a vacant retail, she is also proposing the multiple listing service be available through the Small Business Commission. Commissioner Clyde also announced the Keroac Alley music event that ties North Beach retail and cultural business to encourage people to come out in the day to engage in these business. Commissioner Ventura noted that Urban Solutions is tracking empty spaces in the merchant area where they are focusing their efforts.

5. Director's Report: Director, Brajah Norris gave an update on the Small Business Assistance Center and office. He noted that the office and center will be 90% ready for the May 12 ribbon cutting during the Flavors event and open for business on Tuesday, May 13, 2008 and will have the last position filled by May 9, 2008. He also said that in response to Commissioner Yee Riley's request the back page of the Examiner Small Business Week supplement announced the opening of the Small Business Assistance Center. Director Norris provided an update for Small Business Week; that the Sidewalk Sale fee waiver legislation had to be processed in two parts and gave a special thanks to Supervisors Dufty, Chu and Elsbernd for there support and effort in getting the legislation passed and unanimously approved through the Board of Supervisors; and Supervisor Dufty submitted the resolution declaring May 12-17, 2008 Small Business Week. He then gave an update to the Commissioners on [Promoter Fees] and File #080322 [Prohibition on Loitering Outside Nightclubs]. For File #080321, this legislation will likely be redrafted and may take several months before the SBC will hear it again and for File #080322 the Entertainment Commission has an adhoc committee reviewing the legislation and will be making recommendations later in the month.

Brajah informed the commissioner that the 4-month report will take place at the July 14, 2008 commission meeting. He then reported on his meetings with members of the Board of Supervisors and the Chinatown Economic Forum. Commissioner Yee Riley noted that this forum can also be applied to other communities and areas. Commissioner Darlene Chiu asked if the services of the Small Business Center have been identified. Director Norris confirmed yes the services are identified these have been identified with Small Business Community and in the development of Proposition I.

6. File #080438[Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]. John Avalos, aide to Supervisor Chris Daly informed the commission that Supervisor Daly's office has been working with Tobacco Free Coalition since July 2006 on this ordinance and is sponsoring it on their behalf. He introduced members of the Tobacco Free Coalition and Alyonik Hrushow who is providing staff support to the Tobacco Free Coalition. He stated that this legislation comes out of the health concern that second hand smoke does cause illness and that Supervisor Daly's office is in full agreement with the Tobacco Free Coalition and this legislation around SRO and apartment housing and restaurants. He also noted that Supervisor Daly's office has received complaints from residents who live business that sell cigarettes and where smoking does occur. John then listed the new areas where the legislation intent is to strengthen the current San Francisco regulations prohibiting smoking: ban smoking in dining areas of restaurants and cafes including the outdoor areas; ban smoking in line where people are waiting in line to get a service; prohibit smoking within 20 feet of doors/ windows of commercial business; ban smoking in lobbies of hotels and lodging facilities and create a cap for the number rooms that allow smoking; prohibit of smoking in owner operated bars that currently are allowed (this affects about a small number of bars); ban smoking in tobacco shops; ban smoking in farmers markets; vehicles owned operated by CCSF; ban smoking in common areas multiunit residences, such as laundry facilities, lobbies, and stairwells and have to be 10 feet away from a window in courtyard.

Commissioner Murad said that he has received a lot of phone calls from restaurants and café owners that have outdoor smoking areas. He noted that small business in particular has been financially felt the impact of the Health Care Security Ordinance and other increases in fees that in this economy he is concerned of the impact putting more restrictions on business. He received calls from restaurants near Valencia and 16th that have outdoor seating and that in the legislation smoking has to take place 20 ft away from the entrance of the establishment. **Commissioner O'Conner** ask about bars and restaurants that have gone through the trouble to build an enclosed interior smoking patios, such as Hemlock Tavern and Rhye would be prohibited and requested that Supervisor Daly and the Tobacco Free Coalition take into consideration these business that have gone through considerable expense to create these spaces. He also asked how the law would apply to commercial business that are single story or do not have any residents.

John Avalos gave a definition of enclosed from the legislation and yes the Hemlock Tavern patio area could no longer allow smoking and the 20 foot rule from entry way or windows would apply to single story commercial space. **Commissioner Darlene Chiu** sited a café on Clement Street that has created a separate space and also noted that many businesses have taken considerable effort and expense to isolate smoking. **John Avalos** sited that in 1994 when voters approved the ban, that there was no significant decrease in business. **Commissioner Clyde** concerns revolve around the civil penalties of the enforcement of non-smoking areas and the way the legislation is written she is concerned about the business owner's liability of the sidewalk areas and potential of civil suits. She is also concerned about employees have to be enforce the law and their safety. **Alyonik Hrushow** said the expectation is that businesses put up signage that states this is a no smoking area and as long as business owner does that, that it is sufficient for meeting their responsibility. The private enforcement is intended for private multi-unit housing in enclosed common area. Secondhand smoke is not defined in out laws as a nuisance as sound is. The intent is for individuals to take action not the business owner. **Commissioner Clyde** reiterated her concern that that unintended civil suits will happen. **Commissioner David Chiu** stated that he too has heard concerns regarding the private enforcement and the legislation can allow people to target business they do not like. His recommendation is to allow the public enforcement of the law but not the private enforcement. **John Avalos** stated the private enforcement is really intended for residential and not business. **Commissioner Ventura** express concerned about the 20 feet when many of the restaurants and bars are around 30 feet wide and businesses are going to have to push their patrons down the street. **Commissioner Clyde** pointed out that it might be better to incentives 100% smoke free behavior instead of punishment (i.e. carbon tax emissions incentives). **Commissioners Yee Riley and Murad** express concern that the way the legislation is written that it can also make a property owner liable for tenant behavior after they have met all their responsibilities. **John Avalos** informed the Commission that the legislation is past the 30 day rule and scheduled in City Operations and Neighborhood Services.

Public Comment: Bob Gordon and Julie Waters of Tobacco Free Coalition spoke to the effects of second hand smoke, air measurements that they took and the financial effects from the first round smoking ban

in 1994. Steven Cornell of the Small Business Network said that this will not put business out of business, but will add to burden of doing business. He is concerned about action and liens against property owner which will eventually be passed onto the tenant. He listed responsibilities the City says it will take care of in front of his store, but he has to take care of. Jordan Hardy spoke to his living environment and health due to a tobacco shop that is below his home and the extensive efforts he took to minimize the effects of the smoke. **Commissioners Ventura, Murad and O'Conner** suggested that the Commission list its concerns and have Director Norris meet with Daly's office and the Tobacco Free Coalition to work out the concerns and not take a vote. **John Avalos** and the Tobacco Free Coalition agreed to meet with the Commission.

Motion by Commissioner Yee Riley: Hold from making a recommendation on legislation #080348 and for Supervisor Daly's office respond to the concerns at June meeting.
Commissioner Ventura added to motion: Director Norris and interested Commissioners meet with Daly's Office and the Tobacco Free Coalition.

Ayes: Unanimous – Darlene Chiu, Clyde, Murad, O'Conner, Yee Riley, and Ventura.

Commissioner David Chiu departed close to 6:45 PM

7. Transit Effectiveness Project: Ross Maxell of the MTA presented the preliminary proposals that aim to transform Muni and the routes so to improve reliably, safely and the change in route demands. **Commissioner Clyde** expressed concern over the changes to smaller routes that will affect elderly and disabled and may make more difficult for them to get to the merchant corridors. She also requested a financial breakdown of MUNI funding from Small Business, such as sales tax, parking fees, parking tickets from meters, parking curb zones and any other areas that can be directly linked back to small business.

Commissioner Murad departed at 7:14 PM

8. File #080525. [Planning Code Enforcement]: Elaine Forbes, of San Francisco Planning Department presented this ordinance that amending the San Francisco Administrative Code by amending Section 10.100-166 to expand the Planning Department's Code Enforcement Fund. She noted that increase in fees from \$48 to \$75 will improve inventory tracking and notification for maintenance of to the companies responsible for billboards and it will also help them stay on top of illegal billboards. She also noted that majority of the billboards are owned by large advertising entities.

Motion: Commissioner Ventura recommend Small Business Commission support for File # 080525.

Second: Commissioner Darlene Chiu

Ayes: Unanimous – Darlene Chiu, Clyde, O'Conner, Yee Riley, and Ventura

9. Presentation by People Wear SF, a new trade association for the fashion industry in SF and the Bay Area: Gail Baugh and Jeffrey Betcher of People Wear SF gave a presentation on their goal and plans to develop a new market in the apparel industry one of which is to develop quality fabric from recycled fabric. People Wear SF wanted to make sure they briefed the Commission on their ideas and plans early on. Gail and Jeffrey noted that many of apparel leaders in the Bay, Levi's, Gap are very interested and they are working with Office of Economic and Workforce Development to find a place for this industry and develop incentives. The Small Business Commission overwhelming support People Wear SF and offered the Commission's support.

10. Letter of Inquiry from Supervisors, Dufty, Maxwell and Ammiano: The Small Business Commission received a Letter of Inquiry requesting that the San Francisco Redevelopment Agency, the Office of Economic and Workforce Development, the Planning Department, and the Small Business Commission provide an outline of information and potential options on creating a Home Improvement District along Bayshore Boulevard that has a green and sustainable overlay and character. The Small Business Commission approved Director Norris to engage in a joint meeting with the listed departments. The Commission requested that Director Norris communicate:

The need for the property owners eventually be included in on the discussion.

That should a big box store go in, that local merchants and/or small green business make up the remainder of the businesses.

Protect the current family owned business in the area.

Commission possibly conduct a hearing around it.

11. New Business: Commissioner Clyde requested that the Healthy Corners Stores Program give a presentation and to have representatives from Arab Grocers attend the meeting as well.

Brajah informed the commissioner that the 4-month report will take place at the July 14, 2008 commission meeting. He then reported on his meetings with members of the Board of Supervisors and the Chinatown Economic Forum. Commissioner Yee Riley noted that this forum can also be applied to other communities and areas. Commissioner Darlene Chiu asked if the services of the Small Business Center have been identified. Director Norris confirmed yes the services are identified these have been identified with Small Business Community and in the development of Proposition I.

6. File #080438[Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]. John Avalos, aide to Supervisor Chris Daly informed the commission that Supervisor Daly's office has been working with Tobacco Free Coalition since July 2006 on this ordinance and is sponsoring it on their behalf. He introduced members of the Tobacco Free Coalition and Alyonik Hrushow who is providing staff support to the Tobacco Free Coalition. He stated that this legislation comes out of the health concern that second hand smoke does cause illness and that Supervisor Daly's office is in full agreement with the Tobacco Free Coalition and this legislation around SRO and apartment housing and restaurants. He also noted that Supervisor Daly's office has received complaints from residents who live business that sell cigarettes and where smoking does occur. John then listed the new areas where the legislation intent is to strengthen the current San Francisco regulations prohibiting smoking: ban smoking in dining areas of restaurants and cafes including the outdoor areas; ban smoking in line where people are waiting in line to get a service; prohibit smoking within 20 feet of doors/ windows of commercial business; ban smoking in lobbies of hotels and lodging facilities and create a cap for the number rooms that allow smoking; prohibit of smoking in owner operated bars that currently are allowed (this affects about a small number of bars); ban smoking in tobacco shops; ban smoking in farmers markets; vehicles owned operated by CCSF; ban smoking in common areas multiunit residences, such as laundry facilities, lobbies, and stairwells and have to be 10 feet away from a window in courtyard.

Commissioner Murad said that he has received a lot of phone calls from restaurants and café owners that have outdoor smoking areas. He noted that small business in particular has been financially felt the impact of the Health Care Security Ordinance and other increases in fees that in this economy he is concerned of the impact putting more restrictions on business. He received calls from restaurants near Valencia and 16th that have outdoor seating and that in the legislation smoking has to take place 20 ft away from the entrance of the establishment. **Commissioner O'Conner** ask about bars and restaurants that have gone through the trouble to build an enclosed interior smoking patios, such as Hemlock Tavern and Rhye would be prohibited and requested that Supervisor Daly and the Tobacco Free Coalition take into consideration these business that have gone through considerable expense to create these spaces. He also asked how the law would apply to commercial business that are single story or do not have any residents.

John Avalos gave a definition of enclosed from the legislation and yes the Hemlock Tavern patio area could no longer allow smoking and the 20 foot rule from entry way or windows would apply to single story commercial space. **Commissioner Darlene Chiu** sited a café on Clement Street that has created a separate space and also noted that many businesses have taken considerable effort and expense to isolate smoking. **John Avalos** sited that in 1994 when voters approved the ban, that there was no significant decrease in business. **Commissioner Clyde** concerns revolve around the civil penalties of the enforcement of non-smoking areas and the way the legislation is written she is concerned about the business owner's liability of the sidewalk areas and potential of civil suits. She is also concerned about employees have to be enforce the law and their safety. **Alyonik Hrushow** said the expectation is that businesses put up signage that states this is a no smoking area and as long as business owner does that, that it is sufficient for meeting their responsibility. The private enforcement is intended for private multi-unit housing in enclosed common area. Secondhand smoke is not defined in out laws as a nuisance as sound is. The intent is for individuals to take action not the business owner. **Commissioner Clyde** reiterated her concern that that unintended civil suits will happen. **Commissioner David Chiu** stated that he too has heard concerns regarding the private enforcement and the legislation can allow people to target business they do not like. His recommendation is to allow the public enforcement of the law but not the private enforcement. **John Avalos** stated the private enforcement is really intended for residential and not business. **Commissioner Ventura** express concerned about the 20 feet when many of the restaurants and bars are around 30 feet wide and businesses are going to have to push their patrons down the street. **Commissioner Clyde** pointed out that it might be better to incentives 100% smoke free behavior instead of punishment (i.e. carbon tax emissions incentives). **Commissioners Yee Riley and Murad** express concern that the way the legislation is written that it can also make a property owner liable for tenant behavior after they have met all their responsibilities. **John Avalos** informed the Commission that the legislation is past the 30 day rule and scheduled in City Operations and Neighborhood Services. **Public Comment:** Bob Gordon and Julie Waters of Tobacco Free Coalition spoke to the effects of second hand smoke, air measurements that they took and the financial effects from the first round smoking ban

in 1994. Steven Cornell of the Small Business Network said that this will not put business out of business, but will add to burden of doing business. He is concerned about action and liens against property owner which will eventually be passed onto the tenant. He listed responsibilities the City says it will take care of in front of his store, but he has to take care of. Jordan Hardy spoke to his living environment and health due to a tobacco shop that is below his home and the extensive efforts he took to minimize the effects of the smoke. **Commissioners Ventura, Murad and O'Conner** suggested that the Commission list its concerns and have Director Norris meet with Daly's office and the Tobacco Free Coalition to work out the concerns and not take a vote. **John Avalos** and the Tobacco Free Coalition agreed to meet with the Commission.

Motion by Commissioner Yee Riley: Hold from making a recommendation on legislation #080348 and for Supervisor Daly's office respond to the concerns at June meeting.
Commissioner Ventura added to motion: Director Norris and interested Commissioners meet with Daly's Office and the Tobacco Free Coalition.
Ayes: Unanimous – Darlene Chiu, Clyde, Murad, O'Conner, Yee Riley, and Ventura.

Commissioner David Chiu departed close to 6:45 PM

7. Transit Effectiveness Project: Ross Maxell of the MTA presented the preliminary proposals that aim to transform Muni and the routes so to improve reliably, safely and the change in route demands. **Commissioner Clyde** expressed concern over the changes to smaller routes that will affect elderly and disabled and may make more difficult for them to get to the merchant corridors. She also requested a financial breakdown of MUNI funding from Small Business, such as sales tax, parking fees, parking tickets from meters, parking curb zones and any other areas that can be directly linked back to small business.

Commissioner Murad departed at 7:14 PM

8. File #080525. [Planning Code Enforcement]: Elaine Forbes, of San Francisco Planning Department presented this ordinance that amending the San Francisco Administrative Code by amending Section 10.100-166 to expand the Planning Department's Code Enforcement Fund. She noted that increase in fees from \$48 to \$75 will improve inventory tracking and notification for maintenance of the companies responsible for billboards and it will also help them stay on top of illegal billboards. She also noted that majority of the billboards are owned by large advertising entities.

Motion: Commissioner Ventura recommend Small Business Commission support for File # 080525.

Second: Commissioner Darlene Chiu

Ayes: Unanimous – Darlene Chiu, Clyde, O'Conner, Yee Riley, and Ventura

9. Presentation by People Wear SF, a new trade association for the fashion industry in SF and the Bay Area: Gail Baugh and Jeffrey Beteher of People Wear SF gave a presentation on their goal and plans to develop a new market in the apparel industry one of which is to develop quality fabric from recycled fabric. People Wear SF wanted to make sure they briefed the Commission on their ideas and plans early on. Gail and Jeffery noted that many of apparel leaders in the Bay, Levi's, Gap are very interested and they are working with Office of Economic and Workforce Development to find a place for this industry and develop incentives. The Small Business Commission overwhelming support People Wear SF and offered the Commission's support.

10. Letter of Inquiry from Supervisors, Dufty, Maxwell and Ammiano: The Small Business Commission received a Letter of Inquiry requesting that the San Francisco Redevelopment Agency, the Office of Economic and Workforce Development, the Planning Department, and the Small Business Commission provide an outline of information and potential options on creating a Home Improvement District along Bayshore Boulevard that has a green and sustainable overlay and character. The Small Business Commission approved Director Norris to engage in a joint meeting with the listed departments. The Commission requested that Director Norris communicate:

The need for the property owners eventually be included in on the discussion.

That should a big box store go in, that local merchants and/or small green business make up the remainder of the businesses.

Protect the current family owned business in the area.

Commission possibly conduct a hearing around it.

11. New Business: Commissioner Clyde requested that the Healthy Corners Stores Program give a presentation and to have representatives from Arab Grocers attend the meeting as well.

12. General Public Comment: None

13. Adjournment:

Motion: Adjournment by Commissioner O'Conner

Second: Commissioner Riley

Approval: Unanimous – Commissioners Darlene Chiu, Clyde, O'Conner, Riley, and Ventura

The meeting was adjourned at 8:33 P.M.

May 12, 2008 (Canceled)

Please Note: This the regularly schedule meeting has been CANCELLED due to the Small Business Week kick-off event and ribbon cutting ceremony to the NEW Office of Small Business and Small Business Assistance Center at City Hall. The ribbon cutting ceremony is at 6:30 pm.

The May meeting is May 6, 2008 at 5:15 pm, City Hall Room 408.

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June 9, 2008 (Amended)**SMALL BUSINESS COMMISSION
NOTICE OF MEETING &
AMENDED AGENDA****GOVERNMENT
DOCUMENTS DEPT****AUG 14 2013****Monday, June 9, 2008****5:30 P.M.****CITY HALL, ROOM 400****1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102****SAN FRANCISCO
PUBLIC LIBRARY****1. Call to order and roll call:****2. Approval of the May 6, 2008 meeting minutes:** Explanatory Documents: Draft May 6, 2008 minutes. (Action Item).**3. Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements. (Discussion Item).**4. Director's Report:** Update and report on activities of the Small Business Assistance Center, report on any recent small business activities, report and possible action on call regarding ADA lawsuits against Small Business, Small Business Week debriefing report and make announcements. (Discussion Item/Action).**5. Discussion and possible action to make recommendations to the Board of Supervisors on File #080350 [Amends Enterprise Zone Tax Credit to delete requirement a new job be create; applies credit to qualified new employees; makes definition of "Qualified Employee" consistent with state law and conforms the boundaries of the Enterprise Zone with the state].** Ordinance Amending the Section 906A of the Business and Tax Regulations Code to delete the requirement that a new job be created to obtain the Enterprise Zone Tax Credit after the effective date; to apply the credit to all newly hired Qualified Employees; to make the definition of "Qualified Employee" consistent with the state law; to conform the geographical boundaries of the San Francisco Enterprise Zone with the area approved by the State Department of Housing and Community Development; and to delete and outdated reference to the Private Industry Council. Presentation by: Jennifer Entine Matz, Office of Economic and Work Force Development. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080350.**6. Discussion and possible action to make recommendations to the Board of Supervisors on File #080594 [Prohibiting Pharmacies From Selling Tobacco Products].** Ordinance amending the San Francisco Health Code by amending Section 1009.53 and adding Section 1009.60 and Article 19J, to prohibit pharmacies from selling tobacco products. Presentation by: Cristine DeBerry-Soto, Mayor's Office. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080594.**7. Discussion and possible action to make recommendations to the Board of Supervisors on File #080438 [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]:** Ordinance updating findings based on recent studies: amending San Francisco Health Code Sections 1009.20, 1009.21, 1009.22, 1009.23, 1009.25 and 1009.81, and adding sections 1009.26, 1009.27, 1009.28 and 1009.29, to prohibit smoking in 1) business establishments and bars regardless of whether owner-operated, 2) common areas of multi-unit housing complexes, 3) tourist lodging facilities, 4) tobacco shops, 5) charity bingo games, 6) taxicabs and other motor vehicles owned by the City and County of San Francisco; establishing obligations for property owners and managers to prevent smoking in prohibited areas, defining secondhand smoke from a business establishment located in mixed-used residential and commercial buildings as a nuisance; adding administrative procedures and penalties; deleting criminal penalties; adding provisions for cost recovery and liens; adding provisions for private enforcement of the ordinance, and making conforming changes in the Police Code by repealing Sections 53.1, and 1098 and in the Health Code by repealing Section 1009.24. Discuss and possible action on

recommendations the Small Business Commission submitted to Supervisor Daly's Office.

(Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080438. Memorandum dated May 30, 2008, from Brajah Norris, Director of the Office of Small Business to John Avalos, Aide to Supervisor Daly.

8. Discussion and possible action to make recommendations to the Board of Supervisors on File #080529 [Requiring Activation of Closed Captions on Television Receivers]. Ordinance Amending the San Francisco Police Code by adding Article 44, Sections 4400 to 4407 to require activation of closed captioning on television receivers intended for use by the general public and authorizing the imposition of civil penalties and/or criminal fines for violations of the requirement. Presentation by: Supervisor Alioto-Pier's Office. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080529.

9. Valencia Street Repaving Project: Presentation and discussion on the Valencia Street repaving project. Presentation by Chris McDaniels, Department of Public Works. (Discussion/Possible Action Item).

10. Discussion and possible action to make recommendations to the Board of Supervisors on File #080380 [Unsolicited Print Publications – Stop Distribution Notice]: Ordinance amending Section 184.69 – 184.72 and 184.74 of the Public Works Code to require publishers of unsolicited print publications to provide a toll-free number or an e-mail address for residents who do not want to receive such print publications; to prohibit the distribution of such print publications to residents who request not to receive such print publications; and to assess penalties. Presentation by Supervisor Mirkarimi's Office. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080380.

11. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. Each member of the public may address the Commission for up to two minutes. (Discussion Item).

12. New Business: Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).

13. Adjournment: (Action Item)

Public comment will be at the end of the meeting or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are linked on the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that city operations are open for the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6083. To obtain a free copy of the Sunshine Ordinance contact:

Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4683
Office: (415) 554-7724
Fax: (415) 554-5163
E-Mail: soff@sfgov.org

Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org.

Cell Phone and/or Sound-Producing Electronic Device Usage at Hearings

Effective January 21, 2001, the Board of Supervisors amended the Sunshine Ordinance by adding the following provision: The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the

meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

Disability Access Policy

Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART Station is the Civic Center station located at the intersection of Market, Hyde and Grove Streets. Accessible MUNI lines serving the Veterans Building are 42 Downtown Loop and the #71 Haight/Noriega and the F line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services call 923-6142. Accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex. American Sign Language interpreters and/or a sound enhancement system will be available upon request by contacting Milton Edelin at 558-6410 at least 72 hours prior to a hearing. Individuals with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-8925 to discuss meeting accessibility. In order to assist the city's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the city to accommodate these individuals.

Translation Services

Interpreters for languages other than English are available on request. Sign language interpreters are also available on request. For other accommodation, please call the Department of Human Services staff support representative at 557-5989 at least two business days before a meeting.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by San Francisco Lobbyist Ordinance [Article II of the San Francisco Campaign and Governmental Conduct Code] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Ave., Suite 3900, SF 94102 (415) 581-2300, FAX (415) 581-2317 and web site address at <http://www.sfgov.org/ethics/>.

Chemical Sensitivity

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical base products. Please help the City accommodate these individuals.



June 9, 2008

CITY AND COUNTY OF SAN FRANCISCO SMALL BUSINESS COMMISSION

City Hall, Room 416
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

MEETING MINUTES

Monday June 9, 2008 5:30 PM
Executive Director: Brajah Q. Norris
Commission Secretary - Regina Dick-Endrizzi

Small Business Commissioners:

Members in Attendance: David Chiu, Janet Clyde, Michael O'Conner, Gus Murad, Richard Ventura, Irene Yee Riley

Members Absent: Darlene Chiu

Staff Members in Attendance: Director Brajah Norris, Regina Dick-Endrizzi

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Call to order: 5:37 PM

Item 1. Call to order and roll call: The Small Business Commission (SBC) met on Monday June 9, 2008 in a regular session. The meeting was called to order at 5:37 PM with quorum.

Item 2. Approval of the May 6, 2008 meeting minutes.

Motion: Approval of draft minutes by Commissioner Gus Murad

Second: Commissioner Irene Yee Riley

Ayes: Commissioners David Chiu, Darlene Chiu, Clyde, Murad, O'Conner, Riley, Ventura

Item 3. Commissioner Reports: Commissioner Richard Ventura, reported on his meeting with the Mission Merchants and the Lower 24th Merchants regarding their concern of Supervisor Amiano's Ban on Formula Retail legislation; that it will prevent them from opportunity to bring in an anchor institution that may help with revitalization; and he has brought copies of the sample letters many of the merchants signed but did not understand. **Commissioner Ventura** stated that the merchants want to maintain the condition use and spoke to Planning Commissioner Bill Lee to do a joint planning commission meeting on Conditional Use to hear the business community what would best suit them. **Commissioner Clyde** reported that she and **Commission Darlene Chiu** met with San Francisco Chamber of Commerce and the Chamber's Small Business Working Group, in addition Commission Clyde attend many of the events and sidewalk sales for Small Business Week.

Item 4. Director's Report: Director, Brajah Norris reported that since May 13, 2008 when the Small Business Assistance Center opened it's doors (19 days), the business counselors have served 136 different cases, 11 of which were Cantonese speaking business owners. Next he reported on the technology developments of the office, and that a data tracking system is in place, have put out an RFQ for a consultant at roughly \$42,000, that help develop a more extensive system that will identify by industry, track the inquiry process through the various City Departments; the website has been updated and a policy page has been added that list San Francisco legislation that either is currently before the commission or affects small business; submitted a draft the newsletter to Reprographics to design and waiting to hear back from them as to whether it will be a July or August turn around time that will be primarily distributed via email with some hard copy distribution; the last staff person, Debra Edwards was hired and will primarily do business counseling. **Director Norris** informed the commission that the 2008-2009 budget (which is part of the OEWD budget), will soon be before the Board of Supervisors for approval, and that the budget submitted is \$865,00 and includes a 6th staff person that is not necessarily housed in our shop but they actually work out of OEWD to do the neighborhood market place programs; and this budget

includes \$200,000 for running the office which includes programs and basic operational expenses.

Director Norris let the commissioners know that the office has received quite a few calls regarding the ADA lawsuit and preparing a hearing for the July meeting. Director Norris stated that he has met with Supervisor Alioto-Pier and some of the business owners and will meet with Susan Mizner of the Office of Disability to start to prepare for the hearing; he next reported on the joint letter from Director Norris, the Planning Department, Office of Economic and Workforce Development, and the Redevelopment Agency and the outcomes of Small Business Week, which was successful and the fiscal sponsors were very pleased, the Office of Small Business will be contributing around \$4300 to assisting in Small Business Week breaking even. **Commissioner David Chiu** noted he has met with many of the small business owners in the northeast sector of the City who face frivolous lawsuits brought under the Americans with Disabilities Act by Thomas Frankovich and it is important that there be a thorough vetting of the issue at the July meeting. **Commissioner Irene Yee Riley** agreed that this is an important matter and does need to be looked into at our next meeting.

Item 5. Moved to end of the meeting.

Item 6. File #080594[Prohibiting Pharmacies From Selling Tobacco Products]. Catherine Dodd, Deputy Chief of Staff for the Mayor's Office presented the legislation and informed the commission that there are currently 11 small and independent pharmacies in San Francisco, 4 of the 11 still sell tobacco and one of the 4 has plans to stop selling tobacco. Catherine Dodd noted the intent of the legislation promotes smoke free environments in places where people are seeking healthcare, advice and medications. The legislation greatest impact will be on the large chain pharmacies.

Motion: Commissioner David Chiu moved to support File #080584 along with the recommendation that for the small pharmacies there is a delay of implementation for one year to allow time to adjust and to include big box and grocery stores.

Second: Commissioner Richard Ventura

Ayes: Commissioners David Chiu, Clyde, Murad, O'Conner, Riley, Ventura

Item 7. File #080438 [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]: Karen Licivoli of the Tobacco Free Coalition presented the sections of the legislation th TFC's will agree to make accommodation to File #080438 due the commission's feedback. The accommodations she presented are:

1. Include grandfathering for existing owner-operated bars that have received Department of Public Health approval through their owner operated exemption application process as of April 1, 2008 (the introduction date of the ordinance) with the exception of establishments that are in mixed use/residential buildings.
2. Include grandfathering for existing tobacco shops as of April 1, 2008 with the exception of establishments that are in mixed use/residential buildings.
3. Reduce the distance from private business building entrances, exits and operable windows where smoking would not be permitted from 20 feet to 10 feet.
4. Restrict private enforcement to the following 3 settings in response to concerns regarding business owner liability:
 - " Residential tenant to residential tenant for common areas of multi unit housing complexes.
 - " Business tenant to business tenant in commercial establishments with more than one business establishment with respect to smoking in the business establishment and in common areas - NOT on sidewalk or in entry way.
 - " Residential tenant to business in residential/commercial establishments with respect to smoking in the business establishment and in common areas NOT on sidewalk or in entry way.

The area the TFC would not make accommodation:

1. Grandfathering in existing business (primarily bars and restaurants), that have gone to expense to build and create smoking areas that are separate from the main space.
2. Not to expand the definition of enclosed space so that patio and sidewalk table and chairs are space that smoking can take place should an establishment want to allow it.
3. To remove all element business from private enforcement.

In summary the Commissioners were not satisfied with the accommodations.

Motion: Commissioner David Chiu moved to that The Small Business Commission will

consider supporting File #080438, if it contains the Small Business Commission's recommend revisions noted in this document, (which includes the proposed revisions by the Tobacco Free Coalition regarding grandfathered businesses and the narrowing of the private enforcer language to limit civil suits to Small Claims Court); that businesses are not subject to civil suits; a clarification of the enclosed rule and what happens to open space, primarily open space in businesses that do not affect residences; business that are grandfathered their smoking capabilities are transferable with sale; sidewalk enforcement does not apply to businesses and their employees; on dense commercial corridors business are required to enforce a 10 ft/ 20 ft doorway prohibition; employees have the right not to serve customers in smoking enclosures or areas, and the legislation is consistent with Medical Marijuana Dispensaries laws.

Seconded: Commissioner O'Conner

Ayes: Commissioners David Chiu, Clyde, Murad, O'Conner, Riley, Ventura

Item 10. File #080380 [Unsolicited Print Publications – Stop Distribution Notice]:

Supervisor Mirkarimi spoke to commission on the need to of legislation for the need of a cleaner and green City by requiring free publication to post an opt out in their publication, with fines if the publication fails to do so. The intent of the legislation follows the intent of the telemarketer opt out law. **Supervisor Mirkarimi** noted that DPW and his office has heard many complaints regarding the Examiner it's litter and the failure of the Examiner to remove address from delivery. **Supervisor Mirkarimi** stated that he met with some of the neighborhood newspapers heard their concerns and is willing to amend down the legislation by delaying the implementation of penalties for one year and do a pilot trial period.

Commissioner Irene Yee Riley expressed her concern that the method of enforcement as written may not achieve the results. **Commissioner Ventura** noted that this may be a good opportunity to encourage more virtual means of news distribution. Different representatives from the Neighborhood Newspaper informed the commission that they operated with such low profit margins that 2 to 3 fines could put them out of business, all members of the Neighborhood Newspaper Association agree that their readers should be able to contact their publication to stop distribution to their residence and will begin publishing the opt out language as it is written in the legislation, but there are larger distribution issues that need to be discussed and addressed. **Commissioner Clyde** requested clarification from **Supervisor Mirkarimi** that it was her understanding the when the City found litter and could identify the source of the litter the source could be fined. **Supervisor Mirkarimi** does confirm that this is correct. Commissioner O'Conner request that **Supervisor Mirkarimi** set up a meeting with the Neighborhood Newspapers and work on the concerns before the commission weighs in on the legislation.

Motion: Commissioner O'Conner motioned to continue to the Call of the Commission President in one month after a meeting between Supervisor Mirkarimi and the Neighborhood Newspapers has taken place.

Seconded: Commissioner David Chiu

Ayes: Commissioners David Chiu, Clyde, Murad, O'Conner, Riley, Ventura

Item 8. File #080529 [Requiring Activation of Closed Captions on Television Receivers].

Catherine Stefani from Supervisor Alioto-Pier's office presented the ordinance. She noted that Since 1993 the FCC has required that all televisions be built with this closed captioning capabilities, as well as all video, programs, operators and broadcasters provide this capability and therefore the equipment is already in place. She also informed the commission the item passed out of Rules Committee with full support. **Commissioner Yee Riley** asked if business owner would be liable if they have a pre1993 television. **Catherine Stefani** said no. The **Commissioner Clyde** noted that in her establishment when sports are being shown she often gets request from to turn off the closed captioning and wanted clarification on what City entity is the enforcer. **Catherine Stefani** said the law will require that the closed captioning will be required to be on and that enforcement is in the police code. The Commissioners express concern over the mandate especially in bar establishments where there may only be a few people and none are hearing impaired. The commissioners also requested that Supervisor Alioto-Pier to consider that if there is more than one TV that only one be mandated to have close captioning. **Catherine Stefani** said that she will take that recommendation back to Supervisor Alioto-Pier.

Motion: Commissioner David Chiu motion to recommend the ordinance to the Board of Supervisors with two additional recommendations:

1. Upon availability encourage business to providing language appropriate closed captioning (i.e. Spanish and Chinese languages)

9. **Hearing and possible discussion on ADA Lawsuits filed against San Francisco Small Businesses.** Presentation by City Attorney, Tyler Paetkau, Littler Mendelson, P.C. on type of suits file and number of businesses that have received the suit; Herb Levin, Independent Living Resource Center San Francisco, on SB 1608; Scout Hauge, of Small Business California. Small businesses will have 2 minutes each to inform the commission on the status of the suit file against them.
10. **Discussion and possible action to make recommendations to the Board of Supervisors on File #080831 [Payroll Expense Tax]:** Ordinance amending the Business and Tax Regulations Code by amending Section 902.1 and adding Section 902.2 to clarify the tax liability of "pass through entities" under the Payroll Expense Tax Ordinance, including partnerships, Subchapter S corporations, limited liability companies, limited liability partnerships and other persons or entities not subject to federal income tax or which are allowed a deduction in computing such tax for distributions to the owners or beneficiaries of such persons or entities. Presentation by David Noyola from Supervisor Peskin's Office. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080831
11. **Discussion and possible action to make recommendations to the Mayor and Office of Economic and Workforce Development on File #080871 [Payroll Expense Tax]:** Ordinance amending the San Francisco Business and Tax Regulation Code by amending: (1) Section 903.1 to reduce the Payroll Expense Tax rate from 1.5% to 1.0% for Business who taxable payroll expense exceeds \$250,000 but is less than or equal to \$400,000; and (2) Section 905-A to increase the Small Business Tax Exemption to include all taxpayers whose taxable payroll expense is \$250,000 or less. Presentation by Jennifer Entine Matz, Office of Economic and Work Force Development. (Discussion/Possible Action Item). Explanatory Documents: Proposed Initiative Ordinance to be Submitted by the Mayor to the Voters at the November 4, 2008 Election.
12. **Discussion possible action to make recommendations to the Board of Supervisors on File #080832 (PDF) [Real Property Transfer Tax]:** Ordinance amending the Business and Tax Regulations Code by amending Section 1102 to increase the Real Property Transfer Tax rate from 0.75% to 1.5% if the consideration for or value of the transfer exceeds \$2 million, and by amending Section 1105 to reduce the tax on transfers of residential property by up to one third (1/3) if, after January 1, 2009, the transferor has installed an active solar system or made seismic retrofitting improvements or improvements utilizing earthquake hazard mitigation technologies, and by amending Section 1115 to clarify application of tax to transfers of ownership interests in legal entities that own real estate. Presentation by David Noyola from Supervisor Peskin's Office (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080832

13. **Discussion and possible action to make recommendations to the Department of the Environment on [Requiring Lighting Efficiency Measures in Commercial and City Buildings.]** Ordinance amending the 2007 San Francisco Building Code by adding a new Chapter 13D to require commercial buildings to install more efficient fluorescent lighting or other lighting efficiency measures by 2011, to make findings in accordance with California Health and Safety Code Section 17958.7 as to the local climatic, topological and geological reasons for amending the State Building Code; amending Section 705 of the Environment Code to require City-owned facilities to install more efficient fluorescent lighting; and to make environmental findings. Presentation by Cal Broomhead, Department of the Environment. (Discussion/Possible Action Item). Explanatory Documents: Proposed Ordinance Requiring Lighting Efficiency Measures in Commercial and City Buildings.
14. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
15. **Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

SMALL BUSINESS COMMISSION
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SMALLBUSINESS COMMISSIONERS
DAVID CHIU
DARLENE CHIU
JANET CLYDE
GUS MURAD
MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA



July 14, 2008

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION**

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

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MEETING MINUTES

Monday, July 14, 2008, 5:30 P.M.

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Small Business Commissioners:

Members in Attendance: Darlene Chiu, David Chiu, Janet Clyde, Michael O'Conner, Gus Murad,

Absent: Richard Ventura, Irene Yee Riley

Executive Director: Brajah Q. Norris
Commission Secretary - Regina Dick-Endrizzi

Call to order: 5:38 PM

Item 1 - ROLL CALL

The Small Business Commission (SBC) met on Monday, July 14, 2008 in regular session and quorum established.

Item 2 - Approval of the June 9, 2008 meeting minutes: Minutes approved without changes.

Motion: Move to approve minutes Commissioner David Chiu

Second: Commissioner Michael O'Conner

Ayes: Commissioners Darlene Chiu, David Chiu, Clyde, Murad, and O'Conner

Item 3 - General Public Comment:None

Item 4 - Commissioner Reports:None

Item 5 - Director's Report: Director Brajah Norris reported to the Commission that the Small Business Assistance Center has been open for 42 days and has served 271 clients. A large number of inquires consisted on how to start a business in San Francisco, followed by obtaining a business tax license and permitting process. He also informed the Commission that he and staff visited a similar type office in the City of San Jose, and that San Jose has developed an efficient way to streamline the permitting process. It is Director Norris's objective to see if there are some of San Jose processes that can be applied to San Francisco's Small Business Assistance Center. He next presented two projects that are in development for Fall 2008: Shop Local Campaign and a Small Business Procurement Workshop. The Shop Local Campaign will be one centralized event around the holidays either at City Hall or Civic Center Plaza. The Small Business Procurement Workshop will be in done in partnership with the Human Rights Commission and City Purchasing Office and banking operations. The goal is to get business certified to business with the City and on the City vendor list at the workshop. Wells Fargo will also be one of main sponsors. Director Norris reminded the Commission that Supervisor Daly's Prohibiting Smoking legislation will be heard at the Board of Supervisor's City Operations and Neighborhood Services committee meeting on July 17, 2008 and he will present a statement on behalf of the Commission concerns regarding this legislation to the Board of Supervisor Committee.

Item 6 - Recommendation to the Board of Supervisors on File #080322: [Prohibit Loitering Outside Nightclubs]: Bob Davis, Executive Director, Entertainment Commission reminded the Commission that he first brought this matter before them in April and asked the Commission to hold off from making a recommendation until the Entertainment Commission had finalized it concerns. He stated

that the Entertainment Commission has agreed to one change and that is for the penalty to be an infraction and not a misdemeanor.

Motion: Commissioner Gus Murad moved to approve File #080322

Second: Commissioner David Chiu

Ayes: Commissioners Darlene Chiu, David Chiu, Clyde, Murad, and O'Conner

Items 7 & 8 – Update to the Small Business Commission's April 14, 2008 recommendation to the Board of Supervisors on File #080323 [Entertainment Commission – Place of Entertainment Permits] and File #080324 [Entertainment Commission – Extended-Hours Premises Permits]: Bob Davis, Executive Director, Entertainment Commission noted that both 080323 and 080324 need to be heard together since when one code is updated the other code is automatically updated. The Commission originally approved these two items on April 14, 2008. Mr. Davis said that he has brought these items before the Commission again, because the language has been cleaned up and is easier to read and felt it was necessary to make sure the Commission is aware of the changes.

Motion: Commissioner Michael O'Conner moved to approve File #080323 and #080324

Second: Commissioner David Chiu

Ayes: Commissioners Darlene Chiu, David Chiu, Clyde, Murad, and O'Conner

Item 9 -Hearing and possible discussion on ADA Lawsuits filed against San Francisco Small Businesses. Commissioner David Chiu first addressed the Commission and public and noted that he asked for the Commission to give consideration on this important item. He has heard from merchants on Polk Street, North Beach, and Chinese merchants. He noted that this issue involves an attorney that victimizes small business and the lawyer has filed these suits up and down the state. **Commissioner David Chiu** stressed that in all the meetings with small business he has attended, small business are sympathetic to the disability community and the importance for upholding the Americans with Disabilities Act (ADA), but that with this specific attorney the small business community is being unfairly treated. And the hearing is a conversation on what that entails and get suggestions on what the City can do to assist the situation. **Deputy City Attorney, Virginia Dario Elizondo**, stated that as City Attorney she can advise the Commission on their role as a public body and that the City Attorney's Office can not represent or provide legal advice to individual business on compliance with the ADA. **Tyler Paetkau, Littler Mendelson, P.C.** a San Francisco Lawyer and is representing a couple of small business sued. Tyler provided a brief overview on how this happens and how does the justice system allow this to take place. He noted that one of the complexities is how the Federal law: The Americans with Disabilities Act of 1990, and State Law: The Disable Persons Act (DPA), and the Unruh Act overlap, that each one of these laws provide different remedies for people who believe they have been denied access to public accommodation; that there are significant differences in the Federal and State laws, but a violation of the Federal also constitutes a violation of the DPA and the Unruh Act. He provided a definition of the ADA and readily achievable and definition for existing and new construction. He then went into remedies under the ADA are attorney's fees and injunctive relief; the California Unruh Act has a plaintiff may recover no less than \$4,000 for each violation and under DPA no less than \$1,000 per violation and attorney's fees for both. He noted that many of the ADA access cases are preying on minority owned, small Mom and Pop businesses because such business usually settle because they can not afford the rigors of legislation. Tyler noted that the average cost to fix some of these problems is \$4,000, but the plaintiffs often ask to settle for starters at \$10,000 - \$30,000. Tyler did stress that business should not ignore any letters they receive regarding disability access at their business. **Herb Levin, Director, Independent Living Resource Center San Francisco**, gave an historical perspective in attempts to solve this issue in the past. 2002-2003 there was a spate of drive by lawsuits. Herb along with small business community form the San Francisco Collaborative and received funding by the Risk Institute and the Small Business Commission to educate small business. He said that collaborative took a risk management approach and have and expert provide Title 24 high risk obligations to a small business. The collaborative did mailing, presentations, had volunteer architects do walking tours, offered money to help pay for proactive confidential access survey, and advised business what they needed to do to avoid the risk of litigation. Herb noted that there were very few takers. Herb spoke about SB 1608 and the key to the legislation the early evaluation conference and 90 day stay, if a certified access specialist has done a survey of the business. If a business does not have a certified survey they are not eligible for the 90 day stay. **Scout Hauge, of Small Business California** informed the Commission of the work the San Francisco Collaborative and his disappointment that only a

few number of businesses that took advantage of opportunity; and that small business also are responsible in ensuring their business ADA accessible.

Public Comment from: Martha Scriber, Rico's Restaurant, Kathleen Dooley, President of North Beach Merchant Association, Casimora Gorce, XOx Truffles; Flora Gasper, Da Flora, Victor, Clement Street Merchants, Teresa, Coso Bella, Stephen Cornell, Claudine Cheng, Mike Roddy, La Roccas Corner, Phuong Ngo, Bella Pizza, Jesse Fink, Clement Street Merchant Association, Marc Bruno, Saint Vincent de Paul. The small businesses requested that a notification to remind business to there ADA obligations be mailed with the business license; the City Attorney help devise a form answer form to ADA non-compliance complaints available to small business; Small Business Administration provide legal assistance in the form of low interest loans; the City and County of San Francisco help find funding to assist in legal fees; the City and County of San Francisco publically condemn the actions of Thomas Frankovich; the City and County of San Francisco provide ADA experts to help small business determine readily achievable and help in responding to plaintiffs ADA experts. Many of the business expressed frustration over the fact that they received a sign off from the City but not told they still may be susceptible to Federal ADA. **Commissioner Darlene Chiu** asked the City Attorney to advise the Commission on what authority the Commission has for issuing or asking for an injunction or discussing if we can request a moratorium and the concept of grandfathering. **Deputy City Attorney, Virginia Dario Elizondo** noted that since the City is not a party in these lawsuits so the City has no standing to challenge them, but will inquire with the City Attorney what possible solutions or suggestions the City Attorney's office provide. **Commissioner David Chiu** could potentially intervene as a friend of the court in an amicus brief. **Commissioner Gus Murad** asked if the City Attorney can assign an attorney to defend these cases. **Commissioner O'Conner** asked Neil Freidman to answer the grandfathering matter. **Neil Freidman, Department of Building of Inspection (DBI)** answered that there is no such concept as grandfathering in California Building Code, which is what DBI enforces. He also gave an explanation of what triggers disability access improvements with the California Building Code. He also noted that his office does not provide determinations on readily achievable because that is an ADA concept, but that the ADA does require all states either meet the same or stricter standard for physical accessibility. He also explained that the City does not create its own accessibility laws and building that are on an historical register may not have to meet some of the compliance requirements. **Commissioner David Chiu** outlined 8 points for the Commission to take action on that have resulted from the hearing and will draft a resolution for the Commission to take action at the next meeting. The Small Business Commission requested staff to schedule a special meeting in the next week to be able to take action on the hearing.

Item 10 - Recommendation to the Board of Supervisors on File #080831 [Payroll Expense Tax]: Supervisor Peskin's Office was not able to attend to present, so provided a letter to the Commission on updates made at the Government and Audits Oversight (GAO) Committee. The letter noted that this legislation is intended to close the "partnership loophole" by clarifying that taxable payroll expense includes all compensation for services paid to partners. The ordinance would require partnerships determine what portion of partnership compensation is payment for services rendered - and therefore subject to the payroll expense tax - and what portion is a return on investment. And at the July 14, 2008, GAO meeting, the committee voted to create two different versions of the tax to be finalized at the July 21 GAO meeting. It is Supervisor Peskin's intent that only of the two ordinances ultimately be submitted to the Department of Elections for inclusion on the November ballot. Both versions include an increase in the small business exemption to \$250,000, and a provision that increases that threshold to reflect increases in the Consumer Price Index every two years. The two ordinances differ in the options they provide for calculating payroll expense tax liability. First version is a 90% of partnership compensation: It allows partners to either 1) calculate the amount of their compensation subject to the payroll expense tax, or 2) presume the amount subject to the payroll expense tax is 90% of the amount of net earnings from self employment derived from the entity for federal income tax purposes. The second version is 200% of highest paid quartile: The second version allows partners to either 1) calculate the amount of their compensation subject to the payroll expense tax, or, 2) pay an amount that is two hundred percent (200%) of the average annual compensation paid to, on behalf of, or for the benefit of the employees of the partnership whose compensation is in the top quartile (i.e. 25%) of the entity's employees who are based in the City; provided the total number of employees of the entity based in the city is not less than twenty. **Commissioner O'Conner** asked David Chiu, as an attorney if he knew the impact on partnerships and return on investment. **Commissioner David Chiu** explained that currently law firms are exempt from payroll tax, which creates a disparity in what lawyers have to pay and small business have to pay in payroll tax. He noted that this legislation is an attempt in leveling the playing field and that attorneys and other partnerships are treated the same. **Commissioner Clyde** requested that the Commission get an update on the economic impact to the amended versions of the legislation. **Stephen Cornell** said that the small

business community has been discussing this matter for 20 years and it will impact a lot of business. He expressed concern that there was no one here to address the Commission on details and impact of the legislation. **Commissioner David Chiu** noted what the partnership tax does is tax partners for their income at the same rate as the rest of small business has to pay payroll tax on; while those companies are not paying payroll tax, everyone else we represent are paying that fair share and have to shoulder the burden of paying payroll tax.

Motion: Commissioner David Chiu moved to approve the concept of closing the partnership loophole, as in File #080831

Second: Commissioner Janet Clyde

Ayes: Commissioners David Chiu, Clyde, O'Conner

Nays: Commissioner Gus Murad

Abstain: Commissioner Darlene Chiu

Motion moves forward without a recommendation from the Small Business Commission.

Item 11 - Discussion and possible action to make recommendations to the Mayor and Office of Economic and Workforce Development on File #080871 [Payroll Expense Tax]: Ordinance amending the San Francisco Business and Tax Regulation Code by amending: (1) Section 903.1 to reduce the Payroll Expense Tax rate from 1.5% to 1.0% for Business who taxable payroll expense exceeds \$250,000 but is less than or equal to \$400,000; and (2) Section 905-A to increase the Small Business Tax Exemption to include all taxpayers whose taxable payroll expense is \$250,000 or less.

Motion: Commissioner David Chiu moved to approve File #080871

Second: Commissioner Janet Clyde

Ayes: Commissioners David Chiu, Clyde, Murad, O'Conner

Abstain: Commissioner Darlene Chiu

Motion moves forward with recommendation with 4 votes.

Item 12 - Recommendations to the Board of Supervisors on File #080832 (PDF) [Real Property Transfer Tax]: Supervisor Peskin's Office provided a letter on amendments made at the July 14, 2008 Government and Audits Oversight (GAO) Committee. The GAO Committee approved to amend the increase threshold on transfers of property valued in excess of \$2 million to \$5 million.

Motion: Commissioner David Chiu moved to approve File #080832

Second: Commissioner Janet Clyde

Ayes: Commissioners Darlene Chiu, David Chiu, Clyde, Murad, O'Conner

Commissioner David Chiu excused from the meeting.

Item 13 - Discussion and possible action to make recommendations to the Department of the Environment on [Requiring Lighting Efficiency Measures in Commercial and City Buildings.]

Cal Broomhead, SF Department of the Environment presented a proposed ordinance that that would require lighting systems in small business to be more energy efficient. He stated that florescent tubes that are 4 ft or 8 ft be retrofitted to meet 81 lumens per watt. The cost will be about \$50 to \$60 dollars for a two lamp fixture and the savings return is from 1 to 3 years and the Department of Environment program is incentivizing from 50 to 100 percent. Cal noted that there are about 250,000 of these lamps still in use, retro fitting will provide an annual bill savings 7.2 million, and total retrofit cost of 6.7 million and the SFDOE will provide 5.7 million in incentives. He said that there are businesses who have said no several times over the last 5 years and the result of this is that we are going to reduce our green house emissions by 1 %. This law would take effect 2011 and only enforced when they get a building permit of some sort.

Motion: Commissioner Janet Clyde moved to approve File #080832

Second: Commissioner Michael O'Conner

Ayes: Commissioners Darlene Chiu, Clyde, Murad, O'Conner

Absent: Commissioner David Chiu

Item 14 - New Business:None

Item 15 - Adjournment: 8:18 PM

Motion: Commissioner Michael O'Conner moved to adjourn

Second: Commissioner Janet Clyde

Ayes: Commissioners Darlene Chiu, Clyde, Murad, O'Conner

July 24, 2008 Special Meeting

SMALL BUSINESS COMMISSION NOTICE OF SPECIAL MEETING & AGENDA

Thursday, July 24, 2008

2:00 P.M.

CITY HALL, ROOM 416

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

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1. Call to order and roll call:

2. The City Attorney's Office report to the Commission from the July 14, 2008, meeting regarding ADA Lawsuits against San Francisco Small Businesses: City Attorney's Office will report to the Small Business Commission on the City Attorney's authority and ability to support the current small businesses that have been sued and future actions the City Attorney's Office can assist the Commission in an effort educate small business. (Discussion/Possible Action Item).

3. Resolution recommending to the Mayor and the Board of Supervisors possible solutions to the numerous ADA lawsuits filed against San Francisco Small Businesses: [Discussion and Possible Action]: A resolution to the Mayor and the Board of Supervisors setting forth the current condition under which small business have received ADA lawsuits with possible solutions and urging the Mayor and the Board of Supervisors support on this issue. Explanatory Documents: Small Business Commission Resolution. (Discussion/Possible Action Item).

4. Recommendations to the Board of Supervisors on the amended File #080438 (PDF) [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]: Ordinance updating findings based on recent studies: amending San Francisco Health Code Sections 1009.20, 1009.21, 1009.22, 1009.23, 1009.25 and 1009.81, and adding sections 1009.26, 1009.27, 1009.28 and 1009.29, to prohibit smoking in 1) business establishments and bars regardless of whether owner-operated, 2) common areas of multi-unit housing complexes, 3) tourist lodging facilities, 4) tobacco shops, 5) charity bingo games, 6) taxicabs and other motor vehicles owned by the City and County of San Francisco; establishing obligations for property owners and managers to prevent smoking in prohibited areas, defining secondhand smoke from a business establishment located in mixed-used residential and commercial buildings as a nuisance; adding administrative procedures and penalties; deleting criminal penalties; adding provisions for cost recovery and liens; adding provisions for private enforcement of the ordinance, and making conforming changes in the Police Code by repealing Sections 53, 53.1, and 1098 and in the Health Code by repealing Section 1009.24. Discussion and possible action on the recommendations the Small Business Commission submitted to Supervisor Daly's Office as it pertain to the amended file. Explanatory Documents: BOS Amended File No. 080438. (Discussion/Possible Action Item).

5. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

6. Adjournment: (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4683
Office: (415) 554-7724
Fax: (415) 554-5163
E-Mail: sotf@sfgov.org

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July 24, 2008 (Special)

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION**

City Hall, Room 416
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

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SPECIAL MEETING MINUTES

Thursday, July 24, 2008, 2:00 P.M.

Small Business Commissioners:

Members in Attendance: David Chiu, Janet Clyde, Michael O'Conner, Gus Murad, Richard Ventura,
Absent: Darlene Chiu, Irene Yee Riley

Executive Director: Brajah Q. Norris
Commission Secretary – Regina Dick-Endrizzi

Call to order: 2:06 PM

Item 1 - ROLL CALL

The Small Business Commission (SBC) met on Thursday, July 24, 2008 in regular session and quorum established.

Item 2 - The City Attorney's Office report to the Commission from the July 14, 2008, meeting regarding ADA Lawsuits against San Francisco Small Businesses: Commissioner Michael O'Conner informed the meeting attendees that he and commission staff met with the City Attorney's Office to discuss what possibilities the City Attorney's Office could assist with this issue, and from that meeting we learned there is not much the City Attorney's office can do. **Deputy City Attorney Mariam Morley** presented to the Small Business Commission on the questions the SBC ask of the City Attorney's Office from the July 14, 2008 commission meeting. The first item Mariam addressed was the question of the City Attorney's Office filing amicus briefs. Mariam stated that the City Attorney is not going to file amicus briefs; the reason is that the City Attorney's Office does not file amicus briefs for trial court actions. That what the City Attorney's Office does under the charter is to provide legal advice to represent the City in litigation. That the office has written amicus briefs for the appellate courts, the courts of appeal in the Federal and State courts and U.S. Supreme Courts, when there is an issue that is of importance to the City as a whole, as a public entity. She noted that often they jointly work with the League of County Councils and other city's attorneys to write amicus briefs. That in her research she has not seen where the City would write an amicus brief when there is litigation between two private entities. Mariam noted that the City Attorney's office understands price of counsel to small business and the idea discussed is to see if some lawyer(s) could take on the many cases at one time. That this may be cost effective and that it may be helpful to and maybe we could get law students at Hastings. She noted that the City Attorney's Office has put in a call to Hastings to discuss this matter with one of the clinic directors. Mariam noted that going forward that the City Attorney's Office can assist the Office of Small Business with developing programs that can be helpful to small businesses. **Commissioner Clyde** asked the City Attorney if the Commission direct staff to look the current state laws, primarily the Unruh Act and the fine structure to make suggest to the law so that it does not punish small business, while still requiring the compliance, and if so how would the Commission as a sitting body of the City and County of San Francisco work with the State and Federal legislator to accomplish this. **Deputy City Attorney Mariam Morley** told the Commission that the City has lobbyist who work on the City's behalf at the state and federal level. The first step might be to work with the City Attorney's office, the Mayors Office on Disability and constituents to see if there are ways that the law could be amended that would actually make them work better and the City Attorney's Office could research what has been attempted in the past. She then stated after putting that information

together get sent to the Board of Supervisors and with the request that the Board of Supervisors to direct the City's lobbyist to lobby for it. She advised that it will be easier for the legislature to amend the law with the support of the disability community. **Commission David Chiu** noted to the City Attorney that as it relates to amicus brief, there is important Citywide interest in this matter due to the economic impact and the effect on entire merchant corridors. He said that the legal issues that could arise at trial is the reliance the business had regarding City permits. He also asked the City Attorney to confirm the assistance from their office in identifying counsel. **Deputy City Attorney Mariam Morley** responded that they are looking at lawyers, along with Susan Mizner of the Mayor's Office on Disability and one lawyer has expressed possible interest. She did say that the City Attorney's Office could not advise the business on choosing any counsel identified, they would have to make the choice. Again she noted that her office will contact Hastings Law School clinics to see if they may be able to provide some assistance. **Commission David Chiu** called Jason Gong to the podium who has won preliminary motions against Thomas Frankovich to speak about his case. **Jason Gong** spoke one particular case with the commission and that he filed a summary judgment motion and it prevailed.

3. Resolution recommending to the Mayor and the Board of Supervisors possible solutions to the numerous ADA lawsuits filed against San Francisco Small Businesses: Commissioner David Chiu first noted that the many business, that are facing serial lawsuits are allegedly brought under the American with Disabilities act is a very important topic to the Small Business Commission.

Commissioner David Chiu presented a proposed resolution for the Commission to approve. Susan Mizner of the Mayor's Office on Disability offer suggested changes. She has specific suggestion regarding SB 1608. **Commission David Chiu** read through the final proposed resolution with changes: WHEREAS, as reported in the media, in recent years, several attorneys have filed serial cookie-cutter lawsuits alleging violations under the Americans with Disabilities Act (ADA) against many San Francisco small businesses, including one attorney previously sanctioned by a federal judge who declared that the attorney could not file any further ADA actions without receiving prior court permission; and WHEREAS, many of the same small businesses had previously complied with requirements related to various San Francisco city permits, and are vulnerable to extreme economic hardship related to the defense of these lawsuits; and WHEREAS, the SBC wishes to assist the small businesses that have been victimized by these litigants; THEREFORE, BE IT RESOLVED THAT: The SBC acknowledges that accessibility is an important civil right, emphasizes that all businesses must comply with the ADA, and encourages continued collaboration between the small business and the disability communities to identify mutually beneficial solutions; The SBC condemns the legal tactics of these litigants, and warns the general public about this situation; The SBC urges the Mayor and the Board of Supervisors to require relevant city departments such as the Treasurer's Office to proactively and regularly provide written information to all San Francisco businesses about their obligations under the ADA in all relevant languages; The SBC urges the Mayor to provide funding for one or more experts who can advise the small businesses as to their ADA obligations and provide on-site inspections on a sliding fee scale, as well as to provide funding for legal assistance to affected small businesses; The SBC urges the San Francisco City Attorney's Office to assist small businesses in identifying legal counsel in such matters and to assist in the development of written materials to educate small businesses regarding their obligations; The SBC urges the federal Small Business Administration to provide small business low-interest loans for the expenses related to such lawsuits; The SBC directs staff to prioritize helping small businesses locate affordable counsel, work with relevant departments and business associations to address this issue, and work with Federal and State legislators, the Board of Supervisors and the City lobbyist to review and possible amend laws relevant to this situation; The SBC asks the San Francisco Board of Supervisors to enact all necessary legislation to enforce the provisions of this Resolution as soon as possible, and urges the San Francisco Board of Supervisors to support state legislation, such as California Senate Bill 1608, that would allow a judge to grant a 90-day stay to a lawsuit if a small business has already identified architectural barriers and created a plan for removing them.

Motion: Move to approval of proposed resolution Commissioner David Chiu

Second: Commissioner Richard Ventura

Ayes: Commissioners David Chiu, Clyde, Murad, O'Conner, Ventura

4. Amended File #080438 (PDF) [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]: Mele Lau-Smith of the Department of Public Health presented and first address the amendments made regarding Section 1009.28. Private Enforcement. She note that the provision of the private enforcement does not apply to the outdoor area or entrances to a business it deals to the inside of the establishment. She explained how the amended version could be applied; by a tenant in the same building could sue a business that is being exposed to

secondhand smoke from their business, or a owner or business or employee could sue a business that is being exposed to secondhand smoke from their business. **Commissioner Muard** asked for confirmation that it could only be applied to inside a business, and ask how many times can the person sue. **Mele Lau-Smith** said yes it is correct to only inside a business. **Commissioner Ventura** asked why is San Francisco pushing for private enforcement when Berkeley, Oakland and Emeryville do not have it their ordinances. Mele Lau-Smith stated that this is a relatively new step in Tobacco control and San Francisco is looking at additional tools to protect people from secondhand smoke. **Commissioner Ventura** also expressed his concern that a tenant who has a grievance with a business could repetitively sue. **Lena Gomes, Supervisor Daly's Office** said that on page 22, line 16 there are limitations and it is written to prevent the repetitive suits. Also if over time there is abuse DPH will revision private enforcement. **Commissioner Clyde**, recommends that the housing and business components be separated and full vetted in addition with along with the Taxi Commission before trying to move this forward. That conflict resolution is attempted first before fines. She said at minimum that it has to shown proven repetitively violations before the a suit can be filed. **Lena Gomes** did say that the language could be changes from Private Enforcement to Citizen Driven. The Commission clearly stated that it does not think this provision belong no matter what it titled. **Linda Mjellen**, Union Sq. Association and **Ross Portugeis**, Sacramento St. Merchant Association spoke about their concern and do not support the legislation. **Linda Mjellen** suggested that street signs be posted instead of business positing signs.

Motion: Commissioner David Chiu moved to not support the amended legislation due to a number of issues that are still not adequately addressed: pertaining to private enforcement language which the commission wants completely removed; still object to prohibiting no smoking in outdoor patio areas; the 20 ft. rule is not realistic that many commercial corridor; in addition to all the other objections presented in the Commission's first response to the BOS that still remain in the legislation.

Second: Commissioner Richard Ventura

Ayes: Commissioners David Chiu, Clyde, Murad, O'Conner, Ventura

5. General Public Comment: None.

6. Adjournment: 3:55 PM

Motion: Move to adjourn meeting Commissioner Richard Ventura

Second: Commissioner David Chiu

Ayes: Commissioners David Chiu, Clyde, Murad, O'Conner, Ventura

SMALL BUSINESS COMMISSION NOTICE OF MEETING & AGENDA (AMENDED)

Monday, August 11, 2008

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

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#1
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1. Call to order and roll call:

2. Consent Calendar: Action Item

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing.

- a. **Approval of the July 24, 2008 meeting minutes:** Explanatory Documents: Draft July 24, 2008 minutes. (Action Item).
- b. **Action Item to make recommendations to the Board of Supervisors on File #080872[Planning - Union Street Neighborhood Commercial District - full-service restaurants]:** Ordinance amending Planning Code Sections 725.1 and 725.42 of the Union Street Neighborhood Commercial District to provide for a limited number of new full-service restaurant uses that satisfy specific requirements and obtain conditional use authorization, making environmental findings, and making findings of consistency with the General Plan and priority policies of Planning Code Section 101.1. (Possible Action Item). Explanatory Documents: BOS File No. 080872

3. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

4. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).

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IRENE YEE RILEY
RICHARD VENTURA

5. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; Small Business workshop in Fall 08; Shop Local December event; report on any follow up from SBC Resolution re: Resolution No. 002-08-SBC; report on legislation the commission has taken action on; report on policy matters of interest to the commission; and make announcements regarding small business activities. (Discussion Item).
6. **Discussion and possible action to make recommendations to the Board of Supervisors on File #080380 [Unsolicited Print Publications – Stop Distribution Notice]:** Ordinance amending Section 184.69 – 184.72 and 184.74 of the Public Works Code to require publishers of unsolicited print publications to provide a toll-free number or an e-mail address for residents who do not want to receive such print publications; to prohibit the distribution of such print publications to residents who request not to receive such print publications; and to assess penalties. Presentation by Supervisor Mirkarimi's Office. This is a second hearing. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080380.
7. **Presentation, discussion and possible action to make recommendations to the Board of Supervisors and Planning Commission on the Eastern Neighborhoods Plan.** Presentation by Ken Rich, Planning Department and Michael Yarne, Office of Economic and Workforce Development. (Discussion/Possible Action Item). Explanatory Documents:
8. **Discussion and possible action to make recommendations to the Board of Supervisors on File #080777: [Eastern Neighborhoods community stabilization fee and PDR replacement program.]** Ordinance amending the Planning Code to add Sections 319A et seq. to create a community stabilization fund and PDR replacement fund and imposing fees on specified new developments in the Eastern Neighborhoods, as defined herein; making a declaration of policy concerning pending residential development projects in the Eastern Neighborhoods that are compliant with the current Planning Code; and making environmental findings and findings of consistency with the General Plan and priority policies of Planning Code Section 101.1. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080777
9. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item)
10. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
11. **Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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August 11, 2008

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION**

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

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AUG 14 2008

MEETING MINUTES

Monday, August 11, 2008, 5:30 P.M.

Small Business Commissioners:

Members in Attendance: Darlene Chiu, David Chiu, Janet Clyde, Michael O'Conner, Gus Murad, Irene Yee
Riley, Richard Ventura

Executive Director: Brajah Q. Norris
Commission Secretary - Martha Yanez

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Call to order: 5:35 PM

Item 1 - Call to Order and Roll Call:

The Small Business Commission (SBC) met on Monday, August 11, 2008 in regular session and quorum established.

Item 2 - Consent Calendar:

Approval of the July 24, 2008 meeting minutes.

Motion: Move to approve minutes Commissioner Richard Ventura

Second: Commissioner Janet Clyde

Ayes: Commissioners Darlene Chiu, David Chiu, Clyde, Murad, O'Conner, Yee Riley and Ventura

Recommendation to the Board of Supervisors on File #080872[Planning - Union Street Neighborhood Commercial District - full-service restaurants]: Ordinance amending Planning Code Sections 725.1 and 725.42 of the Union Street Neighborhood Commercial District to provide for a limited number of new full-service restaurant uses that satisfy specific requirements and obtain conditional use authorization, making environmental findings, and making findings of consistency with the General Plan and priority policies of Planning Code Section 101.1

Motion: Move to approve File # 080872 Commissioner Gus Murad

Second: Commissioner Richard Ventura

Ayes: Commissioners Darlene Chiu, David Chiu, Clyde, Murad, O'Conner, Riley and Ventura

Item 3 - General Public Comment: Susan King, Walk San Francisco and Project Manager of Sunday Streets, informed the Commission about Sunday Streets, which is 4.5 miles of open space along San Francisco's water front; the program is being promoted by Mayor Newsome and Shape Up Council along with over 100 other organizations. She noted that is program is modeled after a program in Bogota Columbia and Portland Oregon and New York City are other cities in the US that initiated Sunday Streets. She reviewed the route for the Commissioners. She did say that the Fisherman's Warf merchants have concern and are working with them on their concern.

Item 4 - Commissioner Reports: Commissioner O'Conner noted that the Renaissance Center is having their annual event on August 14, 2008.

Item 5 - Director's Report: Director Brajah Norris, reported that the Small Business Assistance Center has been in operation for 77 days of operation and has served 486 clients and largest service request is on how to start a business in San Francisco; have installed Sales Force software to use as the client tracking system; Department of Technology and Information Systems is working with the Office of Small Business and consultants, CIBER, to streamline the restaurant process and are in the preliminary stages of development, gathering resources, processes, and requirements from the 12 authorizing departments and once the requirements are gathered, CIBER will develop an interactive tool to help the business counselors better advise clients of the process; the first newsletter has just been published and distributed to Office of Small Business stakeholders and several thousand emails; Shop Local RFP will be distributed on August 15, 2008; Small Business Loan and Procurement Workshop will be held on November 18, 2008, this workshop will allow people to become a registered City vendor on-site with a temporary certification and how to get small business loans as well, these are new elements added to the workshop we did last year; and on August 7, 2008 the City Operations and Neighborhood Service Committee did not recommend or move forward Supervisor Daly's Prohibiting Smoking legislation and continued it to the call of the Chair and have 45 days to bring back a new piece of legislation. He then reported on the follow actions that have taken place from the Small Business Commission's resolution regarding the ADA lawsuits targeted at small business which are; the office will be working with Supervisor Alioto-Pier's office to submit a resolution to the Board of Supervisor; after thorough inquiry the City can not provide funding or legal assistance to private entities; a meeting is scheduled for August 28, 2008 with other departments on how best to disseminate information to small business on obligations and distinctions between Federal and State requirements, and exploring how best the City can best support affordable access to individual who are certified and can do ADA assessments. **Director Norris** reported he and staff went to San Jose to take a tour of their office and how they have streamlined the permitting process. He then welcomed four of the San Jose Commissioners attending the meeting. **Commissioner Muard** is interested in having a reporting system that tracks from first inquiry through completing the City process for opening a business and also report on any businesses that do not complete the process and why. **Commissioner David Chiu** asked about the directive to the office in working with other departments on streamlining the process and that the Mayor's office is to provide a 4-month report to the Commission on this process. **Director Norris** noted that he is meeting with Departments and that some departments are working on their own streamlining process and others will take more time, he will look into the 4-month report. **Commissioner Yee Riley** asked about follow up from the Chinatown Forum. **Director Norris** noted that he has put in the request that the Office of Small Business be responsible for the Night Time Market in Chinatown. **Commissioner Ventura** also extended a welcome to the San Jose Commissioners.

Item 6 - Recommendations to the Board of Supervisors on File #080380 [Unsolicited Print Publications - Stop Distribution Notice]: Supervisor Mirkarimi's office did not present at the meeting. **Director Norris** read a letter from several of the Neighborhood Newspapers requesting the commission not to support the legislation. **Kathy Perry** spoke on behalf of the Neighborhood Newspaper Association let the Commission know that they have met with Supervisor Mirkarimi and it was clear that the legislation was not intended to target neighborhood newspapers, but since they will be affect the neighborhood newspaper asked Supervisor Mirkarimi to amend the legislation with a circulation limitation that would not be subject to the penalties and fees. **Commissioner Clyde** stressed that is important for the legislation to written in a manner that specifically written for the intended target so not to affect the neighborhood newspapers. **Commissioner Yee Riley** noted that she still interested in knowing how the complaints are tracked to trigger penalties and fees and request that Supervisor Mirkarimi's Office provide that answer. **Commissioner Muard** asked for clarification on why it is a problem for the neighborhood newspapers to respond to no delivery requests. **Commissioner O'Conner** noted that as the legislation is written eventually the neighborhood newspapers will be subject to the fine and this could eventually kill a neighborhood newspaper.

Motion: Commissioner O'Conner moved to rehear the item at the September Commission meeting and request the Supervisor's office meet again with neighborhood newspapers and agree on a set of rules so the neighborhood newspapers are penalized.

Second: Commissioner David

Ayes: Commissioners Darlene Chiu, David Chiu, Clyde, Murad, O'Conner, Riley and Ventura

Item 7 - Presentation, discussion and possible action to make recommendations to the Board of Supervisors and Planning Commission on the Eastern Neighborhoods Plan. **Kcn Rich, of the Planning Department** gave the first presentation, he noted that this has been a 10-year project that passed the Planning Commission August 7, 2008 and will provide an overview on what passed the

planning commission. Ken outlined the City's primary industrial areas (approximately 12% of SF), and that industrial zone areas permit almost everything and historically very permissive, and in the early to mid 90's the Planning Department began to see more office and residential use appearing more often in the City's industrial areas. That office and residential development can always pay more for land than industrial. He noted that a concern with this trend started 10 years ago and questions started to arise as to whether the City should look at whether we needed to protect industrial use and if so should the City use zoning to protect it. The term Production, Distribution and Repair (PDR) is the term the planning department has used so it is not confused with smokestack industrial. He then reviewed the timeline from 2003 to date on the process, the outreach done. Next, he went through the Key Principals of Eastern Neighborhoods, which are to allow new housing to occur at appropriate locations and make it as affordable as possible; plan for transportation, open space, community facilities, and other critical elements of complete neighborhoods; reserve sufficient space for production, distribution and repair activities; and provide space for new industries that bring innovation and flexibility to the City's economy. Ken said that the policy direction and protecting the PDR is that these businesses provide job for folks without college degrees and tend to pay more than service sector jobs, these businesses tend to need larger and cheaper space and often subject to displacement for the land, and lastly many of these businesses support the front office and tourist economy. He then reviewed the analysis process for the 1932 acres of industrial land and from that process, 427 acres converted to mixed use, and 1505 acres remained PDR. Ken's presentation then focused on the land use in relation to job generating uses and the rules around that. One rule is, if it not an office, if it is not residential, if it is not retail, and not an institution it is permitted. He noted that most tricky element to this is how to limit offices and the Planning Department went through several processes to limit office use. He said that the final current definition that is more innovative look at how offices and PRD currently relate to each other. Commissioner Clyde asked about the demarcation line. Ken Rich noted that Cesar Chavez is the demarcation line only to denote where the Bayview area begins. Commissioner Murad asked Ken if there was information on currently occupied industrial land by industrial use. Ken Rich said that it is no more than 5%. **Michael Yarne, Office of Economic and Workforce Development (OEWD)** began his presentation and noted that his office interested was to make sure that Eastern Neighborhoods Plan was consistent with the policies in the City's Economic Strategy, work with Mayors Office of Housing to ensure that Eastern Neighborhoods (EN) Plan policies are economically feasible and focus on new job creation and advocating for existing small business. Michael said that thought the focus is on the industrial zoned areas, that there is a significant quantity of neighborhood commercial districts that fall within the plan area and the Commission should be aware of this. Michael then went on to say that Out's primary interest is with the PDR and urban mix-use districts and the new districts were compatible with the existing businesses, provided an opportunity for new business and job growth with the emphasis job employment for those with less than a four year degree and that neighborhood commercial districts were protected. He then noted that the results of the collaboration with the Planning Department yielded four points which are, process to legitimize quasi-legal existing business throughout the former M districts and elsewhere in the plan, introduce the integration of the PDR and throughout PDR and UMU districts, introduce the Small Enterprise Workshop (SEW) in PDR districts, and liberalization of small retail controls along key transit corridors in PDR districts. He said that there will be a legitimization process which is based on a code provision existing currently for neighborhood commercial districts three, planning code section 179, there will be a 3-year period after adoption of this plan for small business in the industrial zone lands share their lease history and other information to show that they were there three years prior to the adoption of the plan, with the planning department and to convert or legalize their existing uses. **Commissioner Murad** asked that if a business moved in a year and half ago that the business is out and why the three years. **Michael Yarne** said that if moving forward that when a business needs to renew their lease it will be much more difficult. **Ken Rich** said that this number was chosen so that a business was there long enough and that anyone who came in, in less than three year has pretty much done so knowing the volatility of the possible zoning changes. **Michael Yarne** then went on to speak about a new category, integrated use PDR, and this came out of discussions that PDR is evolving with production, office, and high tech has merged. **Commissioner O'Conner** asked if there were any height changes on 16th St or 3rd St. **Michael Yarne** said yes there are changes in the height in certain areas to support the transit function. Next he moved into the preservation oriented PDR policy objectives, one is the protection of the economically viable conventional PDR sectors that pay high wage jobs, protection of viable conventional PDR that provide support to the City's economic drivers, and protection of industrial character of these districts such of building shape and sizes. Michael said that OEWD is very interested in the continual decline in the conventional PDR jobs and really take a look at the next generation of PDR which is the integrated PDR (iPDR), which often is business that are on-site retail, office and production. All pre-1951 3+ story and new construction can have iPDR, there will

enterprise zone tax incentives for tenants and performance based impact fee discounted for owners. He also said that there will be iPDR monitoring program to track if we are meeting the objectives and track the business that are locating in this area. **Commissioner O'Conner** thanked Planning and OEWD of the work that they have done and gave example of furniture design cluster that was not supported and eventually left the City several years ago. Michael acknowledged that with this it is the goal of OEWD to be more proactive to support these types of cluster to thrive in the City. **Commissioner Clyde** asked about the produce areas. **Ken Rich** said the produce market areas are in the Bayview project plan area and the Board of Supervisors pass a plan that protects them and they are in a classified PDR2 zone with a buffer zone. **Commissioner Riley** asked about community stabilization fee. **Ken Rich** did say that Planning Commission did not approve the legislation file #080777. **Commissioner Clyde** asked the height increases. Ken replied that in the Valencia corridor they are raising it 5 ft. Mission St corridor raising heights to 85 ft from 55 ft, and South of Market increasing to 85 ft. heights and rezoning to NC to NCT which is neighborhood commercial transit. NCT allows building housing without parking and removes maximum density requirements. **Commissioner O'Conner** asked how this affects the 16th and 3rd St. Ken said kept part of 16th restricted from housing in the industrial areas, but allowed more retail, and 3rd St is similar. **Bill Lightner** spoke about his involvement of SEW and they have had to compete with office building and only be able to build new building for SEW's and the stock of existing lands to build on is very small. **Michael Yarne** said that the Planning Commission made a policy level decision to preclude SEW's from being developed in existing buildings and adaptive reuse. **Commissioner Murad** asked Mr. Lightner on the size of buildings that he is looking at. **Mr. Lightner** said anywhere up to 12,000 sq ft and cautioned the Commission on this section of comprised plan and make a recommendation to the board of Supervisors. **Ken Rich** did say that it shows there is more of market for iPDR than SEW's.

Motion: Commissioner Ventura move to recommend the current plan as presented.

Second: Commissioner Clyde

Ayes: Commissioners Darlene Chiu, Clyde, Murad, O'Conner, Riley and Ventura
Commissioner David Chiu excused from the meeting.

Item 8 - Recommendations to the Board of Supervisors on File #080777: [Eastern Neighborhoods community stabilization fee and PDR replacement program.] To be rescheduled for September 2008 Board Meeting.

Item 9 - General Public Comment: Mary Millman, owner and operate the Antique and Artesian Market in the United Nations Plaza since 1999 informed the Commission that there is a resolution before the Board of Supervisors on August 12, to revoke her permit to operate the market. She asked the Commission to give attention to small business that are not just brick and mortar and if they could put in a call to any of the Supervisors and ask them to delay the hearing. **Rudy Rodriguez, Chair of the San Jose Small Business Development Commission** first introduced Helen Wang, Joyce Puopalo, and Minh Doung also from the Commission. He noted that the reason they are in attendance is that one of the goals of their Commission is to visit other small business commissions in neighboring Cities to see what they are doing to maintain and develop small business.

Commissioner Murad excused from the meeting.

Item 10 - New Business: Commissioner Darlene Chiu wants the Commission to also keep a focus on proactive means for informing business so to avoid this from happening again and helping business know what they are liable for.

Item 11 - Adjournment:

Motion: Move to adjourn Commissioner Ventura

Second: Commissioner Yee Riley

Ayes: Commissioners Darlene Chiu, Clyde, O'Conner, Riley and Ventura

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**SMALL BUSINESS COMMISSION
NOTICE OF MEETING & AMENDED AGENDA**

**Monday, September 8, 2008
5:30 P.M.**

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco CA 94102

1. Call to order and roll call:
2. Approval of the July 14, 2008 meeting minutes: Explanatory Documents: Draft July 14, 2008 minutes. (Action Item).
3. Approval of the August 11, 2008 meeting minutes: Explanatory Documents: Draft August 11, 2008 minutes. (Action Item).
4. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
5. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
6. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; Office of Small Business Projects: Procurement workshop in Nov 08; Shop Local December event; townhall meeting with the US Department of Transportation; report on any follow up from SBC Resolution No. 002-08-SBC; report on any legislation the Commission has taken action on; report on policy matters of interest to the Commission, and make announcements regarding small business activities. (Discussion Item).
7. **Hearing on the Impact of Measure Q on Small Businesses [Payroll Expense Tax]:** *This matter is an informational hearing only. The Small Business Commission can not take action or take a position on this matter.* This ordinance on the November 2008 ballot. If pass, the ordinance will amend the Business and Tax Regulations Code by (1) amending Section 902.1 and adding Section 902.2 to clarify the tax liability of "pass through entities" under the Payroll Expense Tax Ordinance, including partnerships, Subchapter S corporations, limited liability companies, limited liability partnerships and other persons or entities not subject to federal income tax or which are allowed a deduction in computing such tax for distributions to the owners or beneficiaries of such persons or entities and specifying safe harbor measure of taxable payroll expense for owners of pass through entity (200% of compensation for most highly paid quartile of employees, provided entity has at least 4 employees); and (2) amending Section 905-A to increase the Small Business Tax Exemption to 12 include all taxpayers whose taxable payroll expense is \$250,000 or less. Presentation by Jennifer Entine Matz, Office of Economic and Workforce Development. (Presentation and Discussion). Explanatory Documents: BOS File No. 081030

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8. Discussion and possible action to make recommendations to the Board of Supervisors on File #081125: [Eastern Neighborhoods community stabilization fee and PDR replacement program.] Ordinance amending the Planning Code to add Sections 319A et seq. to create a community stabilization fund and PDR replacement fund and imposing fees on specified new developments in the Eastern Neighborhoods, as defined herein; making a declaration of policy concerning pending residential development projects in the Eastern Neighborhoods that are compliant with the current Planning Code; and making environmental findings and findings of consistency with the General Plan and priority policies of Planning Code Section 101.1. Presentation by Supervisor Daly's Office. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080777

9. Discussion and possible action to make recommendations to the Board of Supervisors on File #081125: [Promoting and Sustaining Music and Culture in San Francisco]: Ordinance adding Chapter 90A to the San Francisco Administrative Code to establish a music and culture sustainability policy for City government; provide for development by the Entertainment Commission of a proposal for an on-line permitting system for entertainment-related permits, licenses, and determinations; provide for review by the Entertainment Commission of new criteria for entertainment related permits, licenses, and determinations; establish a process coordinated by the Entertainment Commission for reviewing and possibly revising City Codes to conform to and implement the music and culture sustainability policy; urge the Planning Commission to consider amending the General Plan to conform to and implement that policy; and provide for an annual hearing by the Entertainment Commission to review and make recommendations relating to implementation of that policy. Presentation by Supervisor Mirkarimi's Office (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081125

10. Discussion and possible action to make recommendations to the Board of Supervisors on File #081100: [Zoning - Providing for a Five Feet Special Height Exception for Active Ground Floor Uses in Neighborhood Commercial Districts.] Ordinance amending the San Francisco Planning Code by amending Section 263.20 to provide for a special height exception for ground floor uses in the Neighborhood Commercial Districts; amending Sections 703.1, 710.1, 711.1, 712.1, 713.1, 714.1, 715.1, 716.1, 717.1, 718.1, 719.1, 720.1, 721.1, 722.1, 723.1, 724.1, 725.1, 726.1, 727.1, 728.1, 729.1, 731.1, 731.1, 732.1, to refer to this special height exception, adopting findings, including environmental findings and findings of consistency with the priority policies of Planning Code Section 101.1 and the General Plan. Presentation by Nicholas Kinsey, Aide to Supervisor Sandoval (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081100.

10.11. Discussion and Possible Action on "Halloween 2008". Presentation on the plans for San Francisco neighborhoods and merchant corridors regarding Halloween activities to direct people to other areas of the City and not the Castro. Presentation by Laura Fraenza, Events Manager, Entertainment Commission.

11. Discussion and Possible Action on establishing a non-profit Friends of the Small Business Commission. The objective of the non-profit will enable the Office of Small Business and the Small Business Commission to produce and operate events and workshops for small businesses. Presentation by Brajah Norris, Director of Small Business.

12. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item).

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12. **New Business:** Allows Commissioners to introduce new agenda items for future consideration of the Commission (Discussion Item).

14. Adjournment: (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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September 09, 2008

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION**

MEETING MINUTES

Monday, September 8, 2008, 5:30 P.M.

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Small Business Commissioners:

Members in Attendance: Commissioner Darlene Chu, David Chiu, Janet Clyde, Gus Murad, Irene Yee
Riley, Richard Ventura

Acting Director: Regina Dick-Endrizzi Dick-Endrizzi

Commission Secretary: Debra Edwards

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Item 1 – Call to Order and Roll Call:

The Small Business Commission (SBC) met on Monday, September 8, 2008 in regular session, called to order at 5:30 pm, and quorum established. Members in Attendance: Commissioner Darlene Chu, Commissioner David Chiu, Commissioner Janet Clyde, Commissioner Gus Murad, Commissioner Irene Yee Riley, Commissioner Richard Ventura

Item 2 - Approval of the July 14, 2008 meeting minutes:

Motion: Motion to approve minutes - Commissioner Murad.

Second: Commissioner David Chiu

Ayes: Commissioner Darlene Chu, Commissioner David Chiu, Commissioner Janet Clyde, Commissioner Gus Murad, Commissioner Irene Yee Riley, Commissioner Richard Ventura

Item 3 – Approval of the August 11, 2008 meeting minutes.

Motion: Motion to approve minutes - Commissioner Clyde.

Second: Commissioner David Chiu

Ayes: Commissioner Darlene Chu, Commissioner David Chiu, Commissioner Janet Clyde, Commissioner Gus Murad, Commissioner Irene Yee Riley, Commissioner Richard Ventura

Item 4 - General Public Comment.

None

Item 5 - Commissioner Reports: Commissioner Clyde: reported that she met with Mr. Bill Lightener who presented last month on the small enterprise workshops and she also had a couple of conversations with Mr. Michael Yarne from OEWD regarding the question was not answered at the last Planning meeting as to why small enterprise workshops were not allowed in existing businesses. From her conversations with Mr. Lightener and Mr. Yarne, that small enterprise workshops concept came up so quickly that the Planning department did not want to unbalance a fragile alliance of competing interests in the Eastern Neighborhood Plan. Janet noted there is potential for small enterprise workshops to serve the small business community with affordable space, that we as a commission draft a letter to the Planning Department asking them to look at the small enterprise workshop from a technical standpoint and is it really necessary to limit them to new buildings. She added that we as the Commission don't want in any way to intrude on this process that has taken a long time and is well developed. But I think looking at the

small business workshop it can serve a few things: 1 – It can serve as a buffer from the core PDR to the residential; I think that is an allowable use. 2 – It can also stabilize historic resources.

Commissioner Riley: Reported that Supervisor Carmen Chu and the SF Chamber of Commerce had a Small Business Summit on August 27, 2008 and assisted in outreach to target Asian business owners to attend. Commissioner Riley contacted the radio station and they interviewed Supervisor Carmen Chu. Commissioner Riley also wrote an article and according to Paula Zamudio, SF Chamber, the Summit was well attended.

Item 6 - Director's Report: Regina Dick-Endrizzi introduced herself as Acting Director while Director Brajah Norris is on leave. She then reported that the Small Business Assistance Center has now been open for 91 days with a total of 701 clients; Salesforce.com has been fully implemented and is used to track our cases. OEWD also has three salesforce licenses that OSB provide as there are times when our work is overlapping, and unless the other departments purchase salesforce we will not be able to interface with them with this software. Holly Lung is working with other departments to begin to map out the requirements for the preliminary process for the restaurant permitting process that will be on line. We many need to postpone the procurement workshop that is scheduled for the 20th of November as she is just learning the details. Regina then gave an update of the ADA: SB1608 passed out of the Senate on August 28th and expected to be signed by the Governor. On August 28th the office had its first meeting to follow up on items the commission for the office to work on with other departments. After meeting with Tax and Treasure's Office the office will not be able to put information in the business tax mailing, so we are exploring other ideas. She informed the DBI, Mayor's Office of Disability, the Human Rights Commission, and a community member are part of the team working on this project. Regina provided a legislative update and Daly's pulled his prohibiting smoking legislation out of Committee and is having it heard before the full Board of Supervisors on Sept. 9, 2008; Supervisor Mirkarimi's print publication legislation has not been amended at this date; Supervisor Peskin has introduced a North Beach Commercial District Legislation coming before the Planning committee in September.

Item 8 - Recommendation(s) to the Board of Supervisors on File #080777: [Eastern Neighborhoods community stabilization fee and PDR replacement program.] Supervisor Daly informed the Commission that this piece of legislation does 2 main things regarding development in the eastern neighborhoods and is very much a legislation that deals with the issue of jobs especially blue collar jobs in San Francisco. He noted that since 2006 or perhaps before that has been a bit of a stalemate in terms of development politics and this is his offering on how to move forward. He noted that the Planning Commission has their own ideas and that PDR being the category now at planning for the lighter industry in San Francisco, that there is a policy that he would like to preserve and protect PDR but not one that would want to stop growth and development. Supervisor Daly said his legislation offers one to one replacement for any loss PDR space within any new developments and any one to one replacement preferably on sight, then a payment is made into a PDR fund so that the city can then acquire PDR space or build new PDR space. He then added that the other main instrument in this legislation is a community stabilization fund, this is a mechanism we have used successfully and we used in negotiation for the development of Rincon Hill. The idea being that there are impacts of development on existing communities. Those impacts are economic, social and on infrastructure. And pursuant to some conversations that have been happening at the Planning Committee and he thinks that \$21 per square foot of residential has been settled on to be budgeted through the annual budget process and to be used for community stabilization process. He notes that this was not warmly received at the Planning Department, but he thinks that this parallels the path they have been working towards the same goals. He said he has no pride in authorship. He just want to make sure we protect and preserve our blue-collar jobs where we can that a lot of San Francisco businesses rely on, particularly the distribution functions within this PDR space; that way we make sure we have a vibrant economy and small business as well as provide an opportunity for folks to earn a living where they live in the city, and when we are building new residential units when we make sure that there is a decent level of community development when we are building.

Commissioner Ventura asked Supervisor Daly to share what the Planning committee liked and didn't like with the legislation.

Supervisor Daly noted it was a 6-0 vote and it seems that the planning committee is set with their ideas and with PDR that they have developed some internal regulations to deal with PDR. Supervisor Daly thinks the planning commission is more into maps on where they feel it is important to draw the line on preserve existing PDR. He noted that his legislation does not go that far and does not get into maps outside of Eastern Neighborhoods. As for the \$21 per square foot, he doesn't remember what their position was on the \$21, but he does know that is within the range of what they have been discussing at Planning, but

likely it is on the high end of the range.

Commissioner Clyde asked Supervisor Daly, about a concept in Planning with core-PDR, and core-PDR being an area where housing will not be allowed, that is core-PDR, then a buffer zone and then housing and she noted a little concerned that in his legislation didn't break out core-PDR and PDR in the Eastern Neighborhoods in Planning.

Supervisor Daly did state that he is comfortable with some future marriage between some of the concepts of this legislation and what Planning is working on. He just did not want to get into the mapping. He noted 5 independent community-based processes in the Eastern Neighborhood that have been going on since I think 2002 and soon after he was first elected, so maybe 2003. So there have been some long community-based plans where it could potentially be mixed-use, where residential is now appropriate in a former industrial area that should come out of the Planning processes. Supervisor Daly said his legislation is not intended to triumph any zoning maps or any of those efforts from Planning, but to provide a guide on how to move, forward from the stalemate the City has been in for the last 2-3 years in terms of projects on lock down because the City has not figured out how to deal with the PDR issue.

Commissioner Clyde noted that housing is the major pressure on PDR and very well funded and that small business within PDR that need the extra protection.

Commissioner David Chiu noted that he is supportive of community stabilization fees and wanted to know how Supervisor Daly arrived at the \$21 figure.

Supervisor Daly said the \$21 figure was through Planning and their work over the past 12-18 months though this is on the higher end of the fee metric that Planning is working towards and that is why it is in this legislation. He noted that there is another point, and that is, that ultimately any fee that is uniformly charged will be taken out of the land value and there is a period of time where there is an adjustment period but ultimately uniformly charged are taken out of the land value that the market will correct over time and Supervisor Daly thinks there is room in the land value for a fee of this kind.

Commissioner Clyde noted that there have been many projects have been in the pipeline for quite some time and there is challenge about imposing fees retroactively like this kind. She has a concern about the small development versus the larger developer and when she reads the legislation she wonders if there was any thinking of a way to balance that out and is a concerned about this falling disproportionately on the small developer.

Supervisor Daly noted that he did pick the April 2006 date in terms of Spring projects. He said that in terms of the smaller square footage versus the larger square footage, perhaps he will look into that. The one issue he does see is in terms of the fee package acquired on developers; and so the most efficient development type is stick over podium, which tends to be the middle size guys and they apparently have the best financials. Supervisor Daly noted that the big guys, are the international ones, the high-rises, because the cost of steel and because of safety-requirements, etc., there margins aren't as good as the builders doing stick over podium.

Commissioner Murad asked if the \$21 square foot is something that can be change for the smaller developer to help a small working person.

Supervisor Daly said he may consider a progressive fee structure, but again, the independent analysis he received suggests that the high-rise development costs are such that you really.

Commissioner Riley noted that if a larger project is paying \$21 per square foot, then size would address the issue of a larger project paying more and a smaller project would have to pay less.

Supervisor Daly noted that he thought the Commissioners were asking about a progressive structure.

Commissioner Ventura asked Supervisor Daly to who the Planning department came to the fee.

Supervisor Daly noted that he has heard the Commission say \$14 as the low and the high being in the low \$20s.

Commissioner Ventura noted that in all fairness the range is like \$14-\$25.

Commissioner Clyde stated that she supports the community stabilization fee in concept especially if residential and it used well in this neighborhood; that this neighborhood is basically lacking in the amenities a large neighborhood is going to require. She is concerned about the pressure on PDR and core-PDR, especially the need for protection for small businesses in these zones. She said that she understands that there will be a change but there is a need for some zones that are not going to be subject to housing usages and she would just like to see that somewhere in City's zoning maps.

Commissioner Murad noted that Planning department kind of drew the map about what is PDR and what is not.

Commissioner Clyde stated that originally it was 12% and the new draw is about 6-8% therefore concerned as to what is remaining PDR and now there are areas that are not core-PDR that this can apply to. Supervisor did say that there were some issues that would be looked into like where housing would not be and the core-PDR space.

Commissioner David Chiu added to Commissioner Clyde's comments especially to the community stabilization fee perspective and is comfortable with it. But he noted that the City does have to figure out a way to build communities around businesses we care about and that their transit and other needs are taken care of. Commissioner Chiu proposed that the Commission goes on the record supporting what is in the legislation about the community stabilization fee.

Commissioner Ventura said he understand the fee but since others have put in a lot of work coming up with the fee amounts, was not in a position to state whether the \$21 is a fair amount.

Commissioner Darlene Chu noted that she is skeptical of costs especially when it comes to small businesses and will the height requirement be taken into consideration?

Supervisor Daly noted it is \$21 per square foot of habitable residential footage and in terms of small versus large developers, over time the fee in time will not affect developers big or small because they will factor in.

Commissioner David Chiu said that since Commissioner Clyde and he think this fee is okay, and that his colleagues think that a fee of some amount is acceptable, that we go on record supporting the community stabilization fee somewhere in-between \$14-\$21.

Commissioner Murad said he could not comment on the amount.

Commissioner Ventura offered that a statement that would be fair is that the Commission supports the fee, but would like to review the data and conversations around the amount of the fee.

Commissioner David Chiu asked if the Commission is now deferring this for the next meeting.

Commissioner Ventura: yes we are instructing staff to collect information and data surrounding this and we will defer this until our next meeting.

No Public Comment

Item 7 - Hearing on the Impact of Measure Q on Small Businesses: Jennifer Entice Matz:

apologized that this item has been scheduled for your agenda for quite some time and OEWD haven't received a full presentation until this time. She noted that the on the ballot is and increase to the City's local payroll tax, plus close the loophole what is call the partnership loophole. Jennifer said the business tax as it is currently structured, clearly applies to the payroll of businesses. Partners in a partnership do not have payroll per say, they have a partnership draw, and while the existing law in the opinion of the City Attorney, does in fact cover partnerships, there have been opinions of the City that have created some confusion as to whether or not it applies to partnerships and it was deemed that the business tax code be amended to state exactly what it is the City intends, which is to have all businesses subject to the business tax. She noted one of the tricky pieces in trying to draft language is deciding what part of the partnership draw should be subject to payroll tax. Jennifer said that OEWD endeavored to work with the business community to come up with two ways to determine what is actually payroll to those partners. Jennifer noted that one way is that they can calculate it, determine it themselves, and submit on their annual payroll return and should they be audited they can explain their rationale. The other is a safe harbor provision. She also stated another important piece of this measure is that upon closure of the loophole the City receives additional revenue from businesses that haven't been paying the tax. Jennifer added that the City wanted to shift the burden away from the small businesses, as you know the small businesses payroll tax exemption hasn't been raised or enacted in 1983; so while this is a certainly a tax amendment that will bring in money from partnerships, there was an important conversation around adjusting the local business tax and provide additional relief to small businesses.

Commissioner Murad asked in regards to partnership, if someone is not getting a paycheck but they are taking a withdrawal from an account if there a number on what they should be taking.

Jennifer Matz said no and are fully aware that in a small business a lot of times the owner will plow all of the money that they could be taking right back into the business and that they will not take any income. It is perfectly plausible that a partnership could do the same thing and what a partner has to do is look at the amount being taken out of a business and what amount could reasonably be deemed income.

Commissioner David Chiu: reminded Commissioners that the Commission supported this at our last meeting so this is something that we have discussed and Jennifer has given us the final details.

No Public Comment

Item 9 - Recommendations to the Board of Supervisors on File #081125: [Promoting and Sustaining Music and Culture in San Francisco]: **Jeremy Pollock** from Supervisor Mirkarimi's office spoke to the ordinance and that was drafted in response to the public stating how difficult it is to

navigate the city entertainment permit process and the increasing escalation of fees. He said the legislation basically this creates a sustainability policy for music and culture in San Francisco particularly for outdoor musical events and urges the city to develop a policy to promote these types of festivals and this ordinance directs to The Entertainment Commission to work directly with other city departments and to implement this into the city code. One of the parts we are most excited about is that it calls for the Entertainment Commission to create an online permitting process; calls for entertainment increase and changes to the fees to have hearings in front of the Entertainment Commission; for the Entertainment Commission to have hearings on the state of the sustainability of the music and entertainment culture. Jeremy Pollock introduced Terrance Allen.

Terrance Allen speaking as a member of the Entertainment Commission and one that works to keep San Francisco entertainment vibrant, said the reason why this is necessary is because about 8-9 years ago when the idea of creating the Entertainment Commission was being tossed around and to make more transparent the permitting process a citizen goes through. He said the entertainment permitting process was moved from the Police Department to the Entertainment Commission; in the last 5 years the commission noticed a lot of changes that should have been made and now this is a first stab at making those adjustments; and as the city gets denser and the city departments continue to grow, each of those departments has a tendency to enact policy that is one-sided and doesn't take into the uniqueness of an event. Terrance noted that by taking the process on line, it forces all the departments to maintain and update criteria. He stated a second reason this is necessary, as San Francisco continues to grow and get more expensive to live in, the infrastructure of the music culture; the people who put on these one-day events have housing and other needs that must be met throughout the year so that they can provide these events. Those are the kinds of things that in the creation of the Entertainment Commission that were left out and this is a first stab at going back and adding or making these changes.

Commissioner Murad thanked Supervisor Mirkarimi's office and the Entertainment Commission for putting forth this legislation and coming here to present on it. I know you have been working in this for a while and I know you are absolutely right about the impact it has on the small businesses.

Commissioner David Chiu agreed and thinks the online tool will be really useful and wanted to know if he be a calendar of events included?

Terrance Allen said the Board of Supervisors created a special events position that was part of the position, but that has been a challenge with all the dynamics of San Francisco, but the online permitting process will move that forward.

Public Comment:

Nathan Perkins former aide to Assemblyman Mark Leno helped draft this legislation. He noted this is a great example of where community and business can come together around a resource that is important for the entire city.

Motion: Motion to approve File #081125 - Commissioner Murad.

Second: Commissioner David Chiu

Ayes: Commissioner Darlene Chu, Commissioner David Chiu, Commissioner Janet Clyde, Commissioner Gus Murad, Commissioner Irene Yee Riley, Commissioner Richard Ventura

Item 10 - Recommendations to the Board of Supervisors on File #081100 [Zoning – Providing for a Five Feet Special Height Exception for Active Ground Floor Uses in Neighborhood Commercial Districts.]: Nicholas Kinsey from Supervisor Sandoval's office state this legislation is in response to walks the Supervisor had taken along Mission Street in the Excelsior and to note of what makes a vibrant community. Supervisor Sandoval noticed that buildings that had a higher first floor of 13, 14, 15 feet were more engaging to the community and create a more active space and the businesses had more foot traffic going in and out of them. Nicholas said that in the neighborhood commercial transdistrict, the Planning department allowed in the NCT district allowed for 4 additional feet of height, which the Supervisor thought was a good idea to extend that to all commercial districts. By adding 5 feet it doesn't add to the density or add an additional floor and the legislation is not requiring developers to build to 45 feet, but they are allowed to build to 45 feet. Nicholas noted this is small effort for developers who would get a little extra money from the more attractive space, and help small businesses moving in the neighborhood commercial district.

Commissioner Murad asked if a project in front of you today has 4 stories, it is 9 foot for commercial on bottom and residential on top and this change allows for commercial to go 14 feet and the residential will

stay at 9.

Kinsey said yes.

Commissioner Murad wanted to know if a developer with plan that has the commercial at 8 feet is there anything in here that says you can not have anything less than 8 feet?

Kinsey stated the code does not allow for less than 8 feet.

Commissioner Ventura noted that this is something that would benefit our commercial corridors, having the space, making it more attractive, changing the appearance of the corridors itself.

Motion: Motion to approve File #081100 - Commissioner Murad.

Second: Commissioner Clyde

Ayes: Commissioner Darlene Chu, Commissioner David Chiu, Commissioner Janet Clyde, Commissioner Gus Murad, Commissioner Irene Yee Riley, Commissioner Richard Ventura

Item 11 – Action on Halloween 2008 : Laura Frenza introduced herself and noted is the events manager Terrance Allen referenced with the Entertainment Commission. She did note that she is working on the on-line calendar, which has mainly been a fine arts calendar up until now; and is working with Grants for the Arts to add events pertaining to the Entertainment Commission. Laura then noted she joined the staff of the Entertainment Commission in June to handle the Halloween event in the Castro. Laura reviewed last year, and that Halloween in the Castro was shut down as a result of a late cancellation plan in parking lot A; that Supervisor Duffy worked with all businesses to agree to shut down because the year before there had been a shooting and that the event has become too large for the Castro to handle. She said that with the Castro shut down last year, the surrounding neighborhoods had an increase in business supported by David Perry of David Perry and Associates successful campaign Home for Halloween . The Entertainment Commission is working again with him this year for Halloween 2008. She said this year the plan is have Halloween events in each corridor so that every business gets to enjoy the benefit of people staying home for Halloween. Laura said that this year we will promote a spirit of community as part of city-wide effort to have local businesses come together in a concerted effort to have Halloween celebrations in each neighborhood; taking Halloween themes and promoting it in all bars, restaurants and clubs. This year Halloween is on Friday night and thus is a great opportunity for small businesses. Laura did acknowledge that this year it's a bit late in the game to start promoting Halloween on a city-wide effort; but the Entertainment Commission sees this as a three year plan.

Commissioner Ventura asked which merchant corridors have been approached to date.

Laura Frenza said all the merchant corridors have been contacted via email or phone calls. Laura had one-one meetings South Beach, Portrero Hill, Mission Merchants; Fisherman's Wharf is very excited about a promotional push with our Home for Halloween message. She said that is close communication with SFPD and the station and they are supportive of the plan; and again David Perry has developed a media plan; the merchants in the Castro have been supportive; they are appreciative because they want the business but they don't want the crowd. Lastly she noted that in Parking Lot A many of people that would typically be the highlight of the Castro will be a Parking Lot A to allow people who like the signature element of the Castro to celebrate it at Parking Lot A.

Motion: Motion to support the Halloween 2008 plan - Commissioner Clyde

Second: Commissioner Murad

Ayes: Commissioner Darlene Chu, Commissioner David Chiu, Commissioner Janet Clyde, Commissioner Gus Murad, Commissioner Irene Yee Riley, Commissioner Richard Ventura

Item 12 - General Public Comment: Nick Shoman of Charlie's Drug store spoke to the commission of the impact of the legislation just passed not allowing the pharmacies to sell tobacco and that his place is more like a grocery store with a pharmacy and to qualify to be a general grocery store, in the planning code there are 29 provisions, he said he fits 28 of them, the only difference is that he is less than 5000 square feet. He also noted that he was told by Christina DeBerry of the Mayor's office that they were not in the business of putting mom and pop shops out of business and that this legislation had nothing to do with business like Charlie's Drug and not to worry about it and that they were going after the bigger stores. I am trying to figure out what are my options here. I am a small store; I don't have 500 chain stores that can support this loss in sales. He said he was misinformed and had been given the correct information he could have taken action back in May.

Commissioner Ventura noted that the commission can not take action on public comment, and offer to

have one of the SBAC case workers work with him on the issue.

Nick Shoman said yes he is already in contact with the SBAC.

Item 13 - New Business: Commissioner Riley said that she is knows that the Bay area has a new organization that has funds available and work with staff to get more information and have them give us a presentation.

Item 14 - Adjournment: Time:7:23PM

Motion: Move to adjourn Commissioner - David Chiu

Second: Commissioner Clyde

Ayes: Commissioner Darlene Chu, Commissioner David Chiu, Commissioner Janet Clyde, Commissioner Gus Murad, Commissioner Irene Yee Riley, Commissioner Richard Ventura



October 24, 2008 - AMENDED

**SMALL BUSINESS COMMISSION
NOTICE OF MEETING &
AMENDED AGENDA**

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**Friday, October 24, 2008
2:30 P.M.**

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1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

1. Call to order and roll call:

2. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

3. Commissioner Reports: Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).

4. Director's Report: Update and report on the Office of Small Business and the Small Business Assistance Center; Office of Small Business Projects: Procurement workshop in Nov 08; Shop Local Initiative; report on any legislation the Commission has taken action on; report on policy matters of interest to the Commission; and make announcements regarding small business activities. (Discussion Item).

5. Discussion and Possible Action to make recommendation to the Office of Economic and Workforce Development on the Mayor's Economic Stimulus Package, as it relates to small business. The Mayor's stimulus package targeted towards small business is to keep dollars local by creating more local jobs through City Build and other workforce programs, expanding San Francisco tourism marketing more regionally, revising parking and transit policies to make it easier to visit San Francisco, expanding Neighborhood Market Place Initiatives and Business Improvement Districts including the new Tourism Improvement District, reducing retail leakage with the L Shop Local- campaign, and increasing funding for business attraction and retention efforts. Presentation by (tentatively scheduled): Ted Egan, Controllers Office and Jennifer Entine Matz, Office of Economic and Workforce Development.

6. Discussion and Possible Action to make recommendations to commission staff to work with the Office of Economic and Workforce Development, Board of Supervisors and the Mayor on a priority list to promote economic stimulus for small business. The commission will consider recommendations from the small business community such as: Sunday metered parking, modification to the health care security ordinance, and use of school grounds for weekend parking. (Presentation, Discussion and Possible Action).

7. Discussion and possible action to make recommendations to the Board of Supervisors on File #081118: [Anti-Blight Ordinance.] Ordinance amending the San Francisco Administrative Code by adding Chapter 81, Sections 81.1 through 81.10, to establish a uniform procedure for enforcement of blight-related provisions of existing municipal code sections and to provide for: additional definition of blight conditions subject to enforcement, administrative penalties for failure to abate blight, summary

abatement for certain blighted conditions, an administrative process for contesting the Director's declaration of blight, and civil penalties and injunctive remedies for continuing violations; and making environmental findings. Presentation by Nicholas Kinsey, Aide to Supervisor Sandoval. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081118

8. Discussion and possible action to make recommendations to the Board of Supervisors on File #081234: [Zoning - Prohibiting Formula Retail Uses in the Chinatown Mixed Use Districts.] Ordinance amending the Planning Code by amending Section 803.6 to prohibit formula retail uses in the Chinatown Mixed Use Districts; amending Section 803.2 to refer to this prohibition, and adopting findings, including environmental findings and findings of consistency with the priority policies of Planning Code Section 101.1 and the General Plan. Presentation by Supervisor Peskin's Office (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081234

9. Discussion and possible action to make recommendations to the Board of Supervisors on File #080696 [Zoning - New Controls for the North Beach Neighborhood Commercial District, to Limit the Establishment of New Bars and Restaurants and Preserve Basic Neighborhood Services] Ordinance amending the San Francisco Planning Code by adding new Section 780.3, to create the North Beach Special Use District; amending Section 781.6, to include Limited Financial Services and Business or Professional Services in the North Beach Financial Subdistrict; amending Section 722.1 and the Zoning Control Table in Section 722 to reflect the new controls for the North Beach Neighborhood Commercial District, including limiting the establishment of new bars and restaurants in the North Beach Neighborhood Commercial District in locations occupied by basic neighborhood sales or services, allowing restaurants to obtain liquor licenses if they operate as bona-fide eating places, and prohibiting the establishment of new automated bank teller machines; adding new Section 790.93, to create the new zoning category of Specialty Food, Self-Service; adding new Section 790.142, to create a new definition of Bona Fide Eating Place; amending Section 790.102 to allow general grocery stores to occupy less than 5,000 gross square feet, to modify the definition of specialty grocery stores, and to clarify that off-sale beer, wine and liquor sales are allowed within accessory limits in general and specialty grocery stores; amending Sections 790.34, 790.55, 790.90, 790.91, 780.1, 312, 303, 218.2, 703.2, 803.2, 803.3, 121.2, and 186.1, to reflect the changes created by the new Sections 790.93, 790.102, and 790.142, and to make conforming amendments; amending Sections 703.3, 710.1, 711.1, 712.1, 713.1, 714.1, 715.1, 716.1, 717.1, 718.1, 719.1, 720.1, 721.1, 722.1, 723.1, 724.1, 725.1, 726.1, 727.1, 728.1, 729.1, 730.1, 731.1, 732.1, 733.1, to refer to new Section 790.93; amending the Special Use District Map SU1 of the Zoning Map of the City and County of San Francisco, to refer to the new North Beach Special Use District and to reflect the amendments and new boundaries of the North Beach Financial Service, Limited Financial Service, and Business or Professional Service Subdistrict; adopting findings, including environmental findings, Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1. Presentation by Supervisor Peskin's Office (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080696

10. Discussion and possible action to make recommendations to the Board of Supervisors on File #081232: [Zoning - Requiring a Conditional Use Permit for Formula Retail Uses in the Residential-Commercial Combined Medium Density (RC-3) and Residential-Commercial Combined High Density (RC-4) Districts.] Ordinance amending the Planning Code by amending Section 209.9, to require a conditional use permit for formula retail uses in the Residential-Commercial Combined Medium Density (RC-3) and Residential-Commercial Combined High Density (RC-4) Districts; and adopting findings, including environmental findings and findings of consistency with the priority policies of Planning Code Section 101.1 and the General Plan. Presentation by Supervisor McGoldrick's Office (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081232

11. Discussion and possible action to make recommendations to the Board of Supervisors on File #081119: [Noise-Control Ordinance.] Ordinance amending the San Francisco Police Code by amending Sections 2901, 2902, 2904, 2907, 2908, 2909, 2910, 2916, and 2917, repealing Sections 2903, 2906, 2911, 2912, 2913, 2914, 2915, and 2918, and adding new Sections 2912, 2918, 2920, 2922, 2924, and 2926, to revise the City's noise control regulations, add administrative penalties, and create a noise task force. Presentation by Supervisor Ammiano's Office (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081119

12. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration (Discussion Item)

13. New Business: Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).

14. Adjournment: (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that city operations are open for the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6083. To obtain a free copy of the Sunshine Ordinance contact:

Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
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Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org.

Cell Phone and/or Sound-Producing Electronic Device Usage at Hearings

Effective January 21, 2001, the Board of Supervisors amended the Sunshine Ordinance by adding the following provision: The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

Disability Access Policy

Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART Station is the Civic Center station located at the intersection of Market, Hyde and Grove Streets. Accessible MUNI lines serving the Veterans Building are 42 Downtown Loop and the #71 Haight/Noriega and the F line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services call 923-6142. Accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex. American Sign Language interpreters and/or a sound enhancement system will be available upon request by contacting Milton Edelin at 558-6410 at least 72 hours prior to a hearing. Individuals with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-8925 to discuss meeting accessibility. In order to assist the city's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the city to accommodate these individuals.

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Interpreters for languages other than English are available on request. Sign language interpreters are also available on request. For other accommodation, please call the Department of Human Services staff support representative at 557-5989 at least two business days before a meeting.

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Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by San Francisco Lobbyist Ordinance [Article II of the San Francisco Campaign and Governmental Conduct Code] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Ave., Suite 3900, SF 94102 (415) 581-2300, FAX (415) 581-2317 and web site address at <http://www.sfgov.org/ethics/>.

Chemical Sensitivity

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical base products. Please help the City accommodate these individuals.

SMALL BUSINESS COMMISSION
NOTICE OF MEETING AGENDA

Field Code Changed

Monday, November 10, 2008
5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

1. **Call to order and roll call:**
2. **Approval of the September 08, 2008 meeting minutes:** Explanatory Documents: Draft September 08, 2008 minutes. (Action Item).
3. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
4. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
5. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; Office of Small Business Projects: Procurement workshop; report on the status of the Mayor's economic stimulus package, and the economic stimulus recommendations from the Commission; Shop Local Initiative; report on any legislation the Commission has taken action on; report on policy matters of interest to the Commission; and make announcements regarding small business activities. (Discussion Item).
6. **Discussion and possible action to make recommendations to the Board of Supervisors on File #080000081404: [Mandatory Recycling and Composting.]** Ordinance amending the San Francisco Environment Code by adding Chapter 18, Sections 1801 through 1814, entitled "Mandatory Recycling and Composting Ordinance," amending the San Francisco Public Works Code by amending Section 173, and amending the San Francisco Health Code by amending Sections 291.1, 291.2, 291.4, 291.5, 291.15, and 293.1, all to: (1) require all persons located in San Francisco to separate recyclables, compostables and landfilled trash and participate in recycling and composting programs; (2) provide enforcement mechanisms and penalties for violations; (3) set an operative date; and (4) ensure that all properties subscribe to refuse collection service; and making environmental findings. Presentation by: DOF Department on the Environment. (Discussion/Possible Action Item).
Explanatory Documents: BOS File No. 080000081404

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7. Discussion and possible action to make recommendations to the Board of Supervisors on File

#081118: [Anti-Blight Ordinance.] Ordinance amending the San Francisco Administrative Code by adding Chapter 81, Sections 81.1 through 81.10, to establish a uniform procedure for enforcement of blight-related provisions of existing municipal code sections and to provide for additional definition of blight conditions subject to enforcement; administrative penalties for failure to abate blight; summary abatement for certain blighted conditions; an administrative process for contesting the Director's declaration of blight; and civil penalties and injunctive remedies for continuing violations; and making environmental findings. Presentation by Nicholas Kinsey. Aide to Supervisor Sandoval. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081118

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8.7. Discussion and possible action to make recommendations to the Board of Supervisors on File

#081250: [Massage Practitioner Requirements.] Ordinance amending Section 1902 of the San Francisco Health Code by changing the requirement that massage practitioners obtain a certificate of graduation to a certificate of completion verifying at least 100 hours of massage instruction. Presentation by Tim Veitzer, National Holistic Institute. Legislation sponsored by Supervisor Duffy. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081250

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9.8. Discussion and possible action to make recommendations to the Board of Supervisors on File

#081337: [Pre-Tax Bicycle Commuting Benefits.] Ordinance amending the San Francisco Environment Code by amending Section 421 to add the option of qualified bicycle commuting reimbursements to the tax free commuter benefits San Francisco employers are required to offer under existing law, and making environmental findings. Presentation by Faiz Khan, Department of the Environment. Legislation sponsored by Supervisor Mirkarimi. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081337

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10.9. Presentation, discussion and possible action to make recommendations to staff on the Office of Small Business's Shop Local Initiative. Presentation by Marc Caposino, Fresh Public. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)

10. Eco Holiday San Francisco request commission endorsement of the event and use of Small Business Commission logo for marketing materials. This is a one day green shopping event set in a spectacular 4-story atrium in San Francisco's Galleria SF Design Center. Over 100 locally-owned companies within 100 miles of the City limits will exhibit their green gifts, eco-fashion, original art/crafts, and more. Eco Holiday SF is presented by Urban Alliance for Sustainability, a SF-based non-profit. (Discussion/Possible Action Item).

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11. New Business: Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).

12. Adjournment: (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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November 11, 2008

CITY AND COUNTY OF SAN FRANCISCO SMALL BUSINESS COMMISSION

MEETING MINUTES

Monday, November 10, 2008, 5:30 P.M.

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City Hall, Room 400

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Small Business Commissioners:

Members in Attendance: Darlene Chiu, Janet Clyde, Michael O'Conner

Members Absent: David Chiu, Gus Murad, Richard Ventura, Irene Yee Riley (excused)

Acting Director: Regina Dick-Endrizzi
Commission Secretary - Debra Edwards

Item 1 - Call to Order and Roll Call:

The Small Business Commission (SBC) met on Monday, November 10, 2008 and called to order at 5:35 PM, in regular session. Quorum was not established. No action can be taken and the items heard as informational presentations.

Item 2 - Approval of the September 08, 2008 meeting minutes: Not heard due to lack of quorum.

Item 3 - General Public Comment: Samme Shiheiber, Owner of Quake City Shuttle. Sam expressed his concern to the Small Business Commission regarding SFO removing seven of the 11 shuttle service companies from the airport and this action is putting the small operators at disadvantage in competing for the bid to do pick up service at the airport and thus will likely put them out of business. Mr. Shiheiber's concern is that the RFP is written for Super Shuttle. Several of the shuttle services including Quake were recently purchased which means that financially this move will likely close them.

Item 4 - Commissioner Reports: None

Item 5 - Director's Report: Acting Director, Regina Dick-Endrizzi, reported that the Small Business Assistance Center has been in operation for 178 days of operation and has served 939 clients. In the last week the SBAC received two emails thanking the SBAC that without the service provided their business would not have successfully opened. She noted that Mayor's Economic Stimulus package is moving forward and Supervisor Perkin has asked for a financial analysis on freezing all fees that impact Small Businesses. The Procurement Workshop is rescheduled for a future date. Regina reviewed her meeting with Art Swanson and Leslie Malloy of Small Business Network and plans to meet with Luis Cancel and Art Gallery owners to figure out how our two offices can work together to assist them in this financial crisis. Lastly she noted that Small Business Week is May 18 through the 23, 2009.

Item 6 - Recommendation to the Board of Supervisors on File #081404: Jack Macy of the Department of Environment presented the details of the legislation. Jack informed the Commission that years of extensive outreach, award winning voluntary programs, education and financial incentives to businesses that still over a third of the waste going to landfill is compostable and one-third recyclable are still going into the landfill (both residential and commercial sector). Jack noted that the Board of Supervisors and the Mayor have adopted a goal of diverting 75% of waste by 2010; and currently the City has accomplished a 70% goal, but overtime the City recognizes to achieve the last 5% the City needs to

make recycling a mandated requirement. He also noted that there is a 10 to 1 jobs creation in landfill diversion and the City has provide financial incentives for participating in this program. In closing, Jack said that this ordinance is a tool to move to the next level of recycling and for properties that have multi-tenant where the property manager have been reluctant in instituting recycling, the tenants will now be able to recycle. The Department of the Environment can now work with the property manager to set up the program and work on any spacing concerns for holding the three containers.

Commissioner Clyde noted that her two concerns, adequate notification, and storage are adequately addressed.

Commissioner O'Conner inquired about the outreach to restaurants.

Jack Macy noted that overall it is going well and continually work with the smaller restaurants on space issues, they continue work.

Commissioner O'Conner noted that the Commission is unable to take a vote, but that Commission is behind the City in these types of efforts.

Commission took no action due to lack of quorum.

Item 7 - Recommendations to the Board of Supervisors on File #081250 [Massage Practitioner Requirement.] Tim Veitzer of the National Holistic Institute presented at the recommendation of Supervisor Duffy's office. He informed the Commission that currently the Colleges that have programs that require over 200 hours for certification or diploma, their students could not apply for a permit from Department of Public Health (DPH). He noted that Section 1902(c) of the San Francisco Health Code, there are two permit types for massage, the massage practitioner that requires 100 hours of schooling and the advanced practitioner which requires 200 hours, both require either a diploma or certification of completion from an approved school of training. Tim read to the Commission Supervisor Duffy's proposed addition to Section 1902 (c) or an official letter of hours from a nationally accredited massage therapy school. This change no longer penalized students enrolled in accredited programs that require more than 200 to complete their program. As a side note, Tim noted the Governor recently signed SB731 that allows for statewide certification that requires a minimum of 500 hours of schooling.

Commission took no action due to lack of quorum.

Item 8 - Recommendations to the Board of Supervisors on File #081337 [Pre-Tax Bicycle Commuting Benefits.] Faiz Khan, from the Department of the Environment presented on behalf the Legislative sponsor, Supervisor Mirkarimi. Faiz informed the commission this legislation is an addition to the Commuter Benefits legislation, which the Commission did supported. He noted that the addition to the current law is to add qualified bicycle commuting reimbursements to the tax-free commuter benefits for business over 20 employees; that the Federal Code now includes bicycles and the City is applying the Federal Code to the City. Faiz noted that the bicycle benefits can not used at big box stores therefore would benefit small owner operated bicycle shops and the pre-tax bicycle benefit is \$20.00 a month.

Both **Commissioners Chiu and Clyde** requested information on how the program ensures that employees are spending their benefit at a local bicycle store.

Faiz explained that the employee will receive either a voucher or debit card with a Merchant ID code that will be coded for certain merchants and can only purchase bicycle related items or bike.

Commissioner Clyde asked for verification that this benefit is elective for the employee.

Faiz confirmed that it is, but mandatory for the business to offer.

Commission took no action due to lack of quorum.

Item 9 - Recommendations to staff on Shop Local Campaign. Marc Caposino presented to the Commission the preliminary concepts of the Campaign. He explained that the key concept around the campaign is developing issue loyalty and when you shop local, you get more. He reviewed the creative concepts with the Commission. Commissioner O'Conner wants to stress that on-line shopping hurts local business. **Commissioner Clyde** said that she hoped that this would encourage vendors to source local.

Commission took no action due to lack of quorum.

Item 10 - Eco Holiday Event request for Commission endorsement and use of Logo on Marketing Materials.

Item not heard due to lack of quorum.

Item 12 - General Public Comment: Russell Prichard, President of the Hayes Valley Merchant Association informed the commission of the Hayes Valley dollars and did say that the shop local campaign should be all the time not just weekends.

Item 13 - New Business: Commissioner Clyde informed the Commission of her participation in a

fundraising bike ride, through the Mission that took a look at the markets and places where people can get good local fresh food. She also took a look at institutions such as SF General, and one the key barriers for Institutions in using fresh food, is the lack of a kitchen area; the preparation area is designed for making food with cans, processed food and food from big agro-business. She noted that Community Alliance for Family Farms is developing policy papers that they soon hope to bring to the City.

Item 14 - Adjournment: The meeting adjourned at 7:10 pm

SMALL BUSINESS COMMISSION
NOTICE OF DRAFT MEETING AGENDA

Monday, December 8, 2008
5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

1. Call to order and roll call:
2. Approval of the September 08, 2008 meeting minutes: Explanatory Documents: Draft September 08, 2008 minutes. (Action Item).
3. Approval of the October 24, 2008 meeting minutes: Explanatory Documents: Draft October 24, 2008 minutes. (Action Item).
4. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
5. Commissioner Reports: Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
6. Discussion and possible action to make recommendations to the Board of Supervisors on File #081380: [Zoning -Urgency Ordinance Imposing an Interim Zoning Moratorium on Tobacco Paraphernalia Establishments in the Haight Street Neighborhood Commercial District and in all properties zoned NC-1 (Neighborhood Commercial Cluster District) and NC-2 (Small-Scale Neighborhood Commercial District) along Haight Street.] Urgency Ordinance imposing an interim zoning moratorium to temporarily prohibit new Tobacco Paraphernalia Establishments, as defined, subject to specified exceptions, in the Haight Street Neighborhood Commercial District and in all properties zoned NC-1 (Neighborhood Commercial Cluster District) and NC-2 (Small-Scale Neighborhood Commercial District) along Haight Street, for 45 days, and making findings, including findings of consistency with the Priority Policies of Planning Code Section 101.1 and environmental findings. Legislation sponsored by Supervisor Mirkarimi. Presentation by Rick Galbreath, Legislative Aide, Supervisor Mirkarimi. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081380.
7. Discussion and possible action to make recommendations to the Board of Supervisors on File #081449: [Changes to the Payroll Expense Tax exclusion for clean energy technology businesses] Ordinance amending San Francisco Business and Tax Regulations Code by amending Section 906.2 to eliminate limits on company size and expand the definition of qualifying business activities. Legislation sponsored by Dave Pascal, Lead Clean Technology & Green Business Advocate, Office of Economic and Workforce Development (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081449.

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8. Discussion and possible action to make recommendations to the Board of Supervisors on File #081504: [Message Services in South of Market Residential/Service Mixed Use District] Ordinance amending the Planning Code by amending Section 803.4, Section 815, and Table 815 to allow a business operating as a full-service spa to provide massage services with a conditional use authorization; adopting findings, including environmental findings, Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1. Supervisors Daly, Duffy presented. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081404

7.9. Director's Report: Update and report on the Office of Small Business and the Small Business Assistance Center; Office of Small Business Projects: Procurement workshop; report on the "Shop SF Get More" campaign; ~~report on and any~~ current updates of the Mayor's economic stimulus package, and the economic stimulus recommendations from the Commission; Shop Local Initiative; report on any legislation the Commission has taken action on; report on Quake City request for assistance and policy matters of interest to the Commission; and make announcements regarding small business activities. (Discussion Item).

8. Discussion and possible action to make recommendations to the Board of Supervisors on File #081504: [Message Services in South of Market Residential/Service Mixed Use District] Ordinance amending the Planning Code by amending Section 803.4, Section 815, and Table 815 to allow a business operating as a full-service spa to provide massage services with a conditional use authorization; adopting findings, including environmental findings, Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1. Supervisors Daly, Duffy presented. Presentation by TBA. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081404

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9. Discussion and possible action to make recommendations to the Board of Supervisors on File #081449: [Changes to the Payroll Expense Tax exclusion for clean energy technology businesses]. Ordinance amending San Francisco Business and Tax Regulations Code by amending Section 906.2 to eliminate limits on company size and expand the definition of qualifying business activities. Legislation sponsored by Supervisor McGoldrick (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081449

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10. (Tentative) Discussion and possible action to make recommendations to the Board of Supervisors on File #081380: [Zoning Urgency Ordinance Imposing an Interim Zoning Moratorium on Tobacco Paraphernalia Establishments in the Haight Street Neighborhood Commercial District and in all properties zoned NC-1 (Neighborhood Commercial Cluster District) and NC-2 (Small-Scale Neighborhood Commercial District) along Haight Street.] Urgency Ordinance imposing an interim zoning moratorium to temporarily prohibit new Tobacco Paraphernalia Establishments, as defined, subject to specified exceptions, in the Haight Street Neighborhood Commercial District and in all properties zoned NC-1 (Neighborhood Commercial Cluster District) and NC-2 (Small-Scale Neighborhood Commercial District) along Haight Street, for 45 days, and making findings, including findings of consistency with the Priority Policies of Planning Code Section 101.1 and environmental findings. Legislation sponsored by Supervisor Mirkarimi (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 081380

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14.10. Discussion and possible action on presentation and up-date by People Wear SF, a new Trade association for the fashion industry in SF and the Bay Area: Up-date by People Wear SF on their plans to encourage and educate apparel companies to understand and implement sustainable practices in the design and production of their apparel. Presentation by Gail Baugh and Jeffrey Betcher of People Wear SF. (Discussion/Possible Action Item)

12. (Tentative) Presentation and discussion and possible action on presentation from Quake City Shuttle on SF O-R-P: Presentation by Sammie Shieiber of Quake City Shuttle and TBA fro San Francisco Airport (Discussion/Possible Action Item)

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13.11. (Tentative) Presentation and discussion and possible action on presentation on of the DRAFT Request for Proposal (RFP) for Management and Operation of Parking Facilities Presentation from Fred Bekele of Convenient Parking LLC and SF MTA Kevin Wong of ABC Parking (TBA) (Discussion and Possible Action)

14.12. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)

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15.13. New Business: Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).

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16.14. Adjournment: (Action Item)

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Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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December 08, 2008

CITY AND COUNTY OF SAN FRANCISCO SMALL BUSINESS COMMISSION

MEETING MINUTES
Monday, December 8, 2008, 5:30 P.M.

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City Hall, Room 400
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Small Business Commissioners:

Members in Attendance: Janet Clyde, Michael O'Conner, Gus Murad, Irene Yee Riley, Richard Ventura

Absent: Darlene Chiu (excused)

Resigned: David Chiu

Acting Director: Regina Dick-Endrizzi
Commission Secretary: Debra Edwards

Item 1 - Call to order and roll call: The Small Business Commission (SBC) called to order at 5:30 pm on Monday, December 8, 2008 in regular session and quorum established.

Item 2 - Approval of the September 08, 2008 meeting minutes -Not heard

Item 3 - Approval of the October 24, 2008 meeting minutes - Not heard

Item 4 - General Public Comment: Stephen Cornell noted that at a press conference the Mayor was asked about the purchase of his vehicle at an out-of-city vendor, and that two major car dealers are going out of business, this again raise the issue that the City is not purchasing from San Francisco business, because the City has made San Francisco business to expensive to purchase from.

Item 5 -Commissioner Reports:

Commissioner Irene Yee Riley reported on the Chinatown Economic forum and at the most recent meeting attendees took a look at the new Chinatown action plans, accomplishment since the first forum and work sessions on greening, cleaning, programming, and alleyway enhancements.

Commissioner Ventura reported on the Police Effectiveness Review and Police District Boundaries. He said since 2007 the San Francisco police department has been conducting an effectiveness review and provided each commissioner with a two page summary and two items of the report that is of interest to small business communities specifically within the merchant corridors is foot patrol redoing the police district boundaries. He said the foot patrol program calls for foot patrols in all 10 districts, though the change in districts calls for 5 districts instead of 10 and this change could affect coverage for the merchant corridors.

Commissioner Murad reported on the recent newspaper article that said Supervisor Peskin was cutting the funds to the Office of Small Business budget and wanted to know what information the director could provide. Regina Dick-Endrizzi said that there are current cuts taking place in the City right now, but did not know if Supervisor Peskin intends for this cut to be part the mid-year or in July '09, but will know after Tuesday's board meeting with what he introduces. Commissioner Murad noted that in this economic climate this is when small business is really in need to of the office.

Commissioner Clyde reported the state budget cuts are cutting S.S.I. by \$50 to \$77 a month. Janet recommended that it is incumbent upon the Commission as representatives of the small business community and advocates for the small business community to find a way to advocate against any cuts of

direct assistance to people in this income bracket; that in addition to economic impact to these folks, this will impact small business, because these folks directly spend their dollars. She also noted that the Commission needs to be concerned about the financial direction of education. She also attended Small Business California holiday party and gave a brief presentation on behalf of the Small Business Commission and the office.

Commissioner O'Conner reported that he spoke at the Land Use Committee regarding Supervisor Mirkarimi's entertainment legislation that we heard last September and it looks as though it will pass.

Item 6 - Recommendations to the Board of Supervisors on File #081380: [Zoning -Urgency Ordinance Imposing an Interim Zoning Moratorium on Tobacco Paraphernalia Establishments in the Haight Street Neighborhood Commercial District and in all properties zoned NC-1 (Neighborhood Commercial Cluster District) and NC-2 (Small-Scale Neighborhood Commercial District) along Haight Street.] Rick Galbreath, Legislative Aide to Supervisor Mirkarimi said that this interim moratorium is the first step in the planning process to impose a three-year ban on opening of more paraphernalia shops along Haight Street from Stanyan to Gough Streets that is zoned commercial. He noted that Supervisor Mirkarimi has observed that there is more than enough paraphernalia business and this legislation will not affect current business and thinks there is a need to foster economics diversity, retail diversity along the corridor. Rick said that a retail operation can sell tobacco paraphernalia as long as 15% or less of the retail goods. Rick said the interim moratorium is only good for 45 days while we draft the permanent controls.

Commissioner Clyde asked if after the three year ban would the law revert back to the Conditional Use process. She also asked how many head shops are currently on Haight Street and wanted to confirm that no license is required for tobacco paraphernalia.

Commissioner Murad asked if this applies only to Haight Street and can a business go one or two blocks off Haight Street and open a shop.

Commissioner O'Conner noted that the Haight Ashbury Improvement Association has discussed this awhile ago and several of the existing head shops want this moratorium because too many were popping up.

Commission Riley asked Rick to confirm the process of notification to new business.

Rick Galbreath's responses to the Commissioners - yes it would revert back to CU after three years. Rick did not know the exact number, but noted it is more than enough, which is why Supervisor Mirkarimi is drafting the legislation. He said there is not a license to sell tobacco paraphernalia, there is a permit for selling tobacco but these paraphernalia shops are not consider licensed tobacco shops. Rick said the moratorium applies to Haight Street NCD area and NC1 and NC2. Anything outside this area, the current conditional use applies and when a business owner applies at planning and the location is identify in the Haight Street NCD, planning will provide a list of restrictions.

Public Comment: Stephen Cornell did want the Commission to consider that a ban may not known and that there likely will be business that open that my not engage with planning as you don't need a permit from going from retail to retail, this business will spend money on start up and then down the line the City is notified they'll have to close. Stephen suggested that licensing might paraphernalia shop could solve this issue.

Motion: Commissioner Ventura moved to approve File # 081380

Second: Commissioner Murad

Ayes: Commissioners Clyde, Murad, O'Conner, Riley and Ventura

Item 7 - Recommendations to the Board of Supervisors on File #081449: [Changes to the Payroll Expense Tax exclusion for clean energy technology businesses] David Pascal provided the Commissioners with and over view to the current tax exclusion and that in 2005 the Board of supervisors initially passed a clean tech payroll tax exclusion and which is one of two such payroll tax exclusions the City has on the books, the other specifically targets the biotech industry. David said since 2005 and specifically with respect to clean technology, the sector has matured and changed and the legislation reflect this which is to update the definition of what is a clean tech business to make it more current with what's happening in that sector and the other was eliminated the 10 employee minimum and left the maximum cap of 100 which also makes it a little more comparable to the biotech exclusion which didn't have the particular restrictions attached to it. David said a lot of the companies he was getting in contact with, especially in early startup stages tend to be three to five individuals working to develop their business plan and once they get funded and start to commercialize their product they tend to move pretty quickly up a growth ramp.

Commissioner Clyde said that she understands that this exclusion or exemption in payroll tax is worth about \$30,000 to the industry right now but it's an incentive that apparently is having an affect to help people locate and stabilize their businesses in San Francisco.

Commissioner Riley noted that the Controller's report date Dec. 3, 2008 that there will be a decrease the City's payroll by a significant amount. She noted they also suggested that clean technology refer to development and manufacturing and not application.

David Pascal said in 2006 the exemption applied to a total payroll of \$1.5 million which meant the city lost \$22,000 in payroll tax revenue, in 2007 it went to \$2.3 million and in 2008 it went to \$3.8 million in payroll with an exclusion of \$57,000. David said that the language has been reworded to R & D and manufacturing and each of the categories has been identified and this dealt with the Controllers concerns.

Commissioner Ventura noted the Commission has been fighting to make sure small businesses are not taxed or that they see increased fees and for the first time the Commission is actually able to see how the City can benefit by allowing more exclusions to this industry.

Public Comment:None

Motion: Commissioner Muard moved to approve File # 081380

Second: Commissioner Ventura

Ayes: Commissioners Clyde, Murad, O'Conner, Riley and Ventura

Item 8 - Recommendations to the Board of Supervisors on File #081504: [Massage Services in South of Market Residential/Service Mixed Use District] Regina Dick-Endrizzi informed the Commission that Supervisor Daly's staff was not able to attend and she drafted a memo for the commissioners, and that the legislation is a result of a small business client that has a full service spa and wanted to add massage but couldn't because the area is zoned. The office recommended and referred to the Supervisor's office so that amendments could be done through legislation. She noted that this will allow conditional use for full service spas.

Commissioner Riley noted that she that it is conditional use is preferred over a ban.

Commissioner Clyde is glad to see the responsiveness from the Supervisors.

Public Comment:None

Motion: Commissioner Clyde moved to approve File # 081380

Second: Commissioner Riley

Ayes: Commissioners Clyde, Murad, O'Conner, Riley and Ventura

Item 9 - Director's Report: Regina Dick-Endrizzi reported that the SBAC has been open 196 days and now have served over 1,100 clients; the on-line restaurant tool is on target for a mid- February launch date and the newsletter is being held back to enable the office to design a on-line newsletter. She then explained the Shop SF Get More campaign that is to run for the Months of December and January and is done in partnership with the SF Convention and Visitor's Bureau, SF Chamber of Commerce, San Francisco Hotel Council, San Francisco Chronicle, Examiner, BayTimes, Bay Guardian, SFMTA and Office of Economic and Workforce Development and is designed to bring people from outside San Francisco to stay and shop and for San Franciscans to stay in SF to shop. Regina also went through the list of neighborhood merchant corridor holiday activities that will be promoted. She reminded the Commissioners that January 09 is the time of elections for the President and Vice-President positions.

Item 10 - Presentation and up-date by People Wear SF, a new trade association for the fashion industry in SF and the Bay Area: Gail Baugh, Vice-President of People WearSF provided an update to the presentation made to Commission last May 08. She noted that People WearSF has gone in two different directions. One is clean technologies in the apparel production business and met with David Pascal on this and are in the process now of doing a membership drive targeting the suppliers who are still surviving here in the Bay Area and suppliers are cutters, manufacturers, sewing shops, fabric people, trim people who actually supply the raw materials for people to actually do production locally; City Collage, the Art Institute and San Francisco State are on board. She said it is important to have the educational institutions because each year the schools are graduating anywhere from 800 to 1,000 students per year and they have no place to go; they started a trade show in October on sustainable fabric, the first in the nation to educate designers on what recycled fabric looks like and educate designers who nothing except organic cotton and it was a success. People WearSF is working on creating adaptive reuse and working with a nonprofit to create a new collection system and a new infrastructure about how to get what need to actually manufacture products locally. The second step People WearSF has applied for several grants to buy a digital printer which will allow then to print in a very clean and a very nonpolluting way. Gail said they are

planning on doing an incubator utilizing the Renaissance Center clients who are developing business plans in this industry. She noted that they have found a local apparel manufacturer who is willing to share his space with the Renaissance Center to develop small lot production for companies who have no place to have their merchandise manufactured as factories in the city, especially garment factories in the city are few and far between but they do exist.

Commissioners noted that they be interested in touring the manufacturing facility.

Item 11 - Presentation of the DRAFT Request for Proposal (RFP) for Management and Operation of Parking Facilities. Fred Bekele of Convenient Parking LLC and Kevin Wong of ABC Parking informed the Commission that SF MTA has recently put out a draft RFP for 14 of the City-owned parking garages and that now bundles these 14 garages into to two bundles along with raising the requirements for qualifications; and one of the requirements is \$1 million dollar line of credit, which in this economy is impossible for a small business to get. Fred and Kevin noted that SFMTA has allowed small parking garage operators to participate because each garage has been handled as a separate contract and each contract they can bid on is worth \$3 to \$5 million. Fred and Kevin have come to the Commission to see if the Commission can contact the SFMTA and slow down the RFP process and include back in opportunities for small business to participate. Fred and Kevin said that they have also contact the Human Rights Commission over their concern that the RFP does not meet the LBD requirements.

All Commissioners said that they like to hear from the SFMTA as to rationale in bundling the contracts, that it might be more efficient for them and easier for them to manage, but the Commission is concerned that this may put numerous small business people out of business. The Commissioners said that they want to know the what is the dollars amount they think they'll save, and it is worth the economic damage and the change it might bring. The Commission requests that staff informs the Board of Supervisors and meets with the Human Rights Commission and understands what other administrative changes they are looking to make within their department and what does it mean to contractors.

Commissioner Riley wanted to know if departments contact the Small Business Commission when they make substantive changes that will impact the small businesses they currently have contracts with. Regina Dick-Endrizzi replied that department do not and are not required to do so.

Commissioner Ventura noted departments and Commissions are looking to restructure what they do in order to reduce the amount that they handle and to cut cost on and bundling projects requires less administration and this is it very clearly. He noted the nonprofit sectors have been on the chopping block for months and are losing their contract with the City of San Francisco. He recommended the Small Business Commission have a discussion with the Human Rights Commission to take a look at some of the ideas that they have and what impact it really is going to have on a larger scale within the small business community and be that voice.

Item 12 - General Public Comment: Alan White also spoke to the issue of City contracts and small business. He said a similar matter is taking place at the United Nations plaza and last September the real estate department took over the contract for the market which is in business three days a week with nearly 50 vendors. He also noted that he was involved in Project 20 in San Francisco and he said the largest violator of the minimum wage law is the City of San Francisco, and when one want to work off your parking tickets, they will pay you \$6 for every hour you work off your parking tickets right now today in San Francisco and in January 2009 the minimum wage will jump up to \$9.76 an hour.

Item 13 - New Business:

Commissioner Clyde informed the Commission that she had an informal conversation with Planning Commission's President Christina Olague and Christina is interested in holding joint commission meeting on matters of joint interest.

Regina Dick-Endrizzi said that she would like a list of planning items from the Commission for a joint meeting.

Item 14 - Adjournment: 7:08 pm.

Motion: Move to adjourn Commissioner Ventura

Second: Commissioner Riley

Ayes: Commissioners Clyde, Murad, O'Conner, Riley and Ventura

SMALL BUSINESS COMMISSION

NOTICE OF MEETING AGENDA

Monday, January 12, 2009
5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

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1. **Call to order and roll call:**
2. **Approval of the October 24, 2008 meeting minutes:** Explanatory Documents: Draft October 24, 2008 minutes. (Action Item).
3. **Approval of the November 10, 2008 meeting minutes:** Explanatory Documents: Draft November 10, 2008 minutes. (Action Item).
4. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
5. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
6. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; Office of Small Business Projects: Procurement workshop; report on the "Shop SF Get More" campaign and any economic stimulus recommendations from the Commission; Shop Local Initiative; report on any legislation the Commission has taken action on; and make announcements regarding small business activities. (Discussion Item).
7. **Discussion and possible action on presentation from the Office of Small Business on website, newsletter and client relationship management tool:** Holly Lung, Project Manager, Office of Small Business to provide an update on the redesign of the website; redesign and delivery system for the newsletter and weekly announcements; and overview of the office client relationship management tool, *Salesforce.com*. (Discussion/Possible Action Item).
8. **Discussion and possible action on "Healthy Corner Store" presentation:** Corner stores frequently only carry unhealthy food items, liquor, and tobacco—and low-income communities and areas with limited access to public and private transportation often rely on these stores as their primary grocery outlets. The HCSN supports the work of participant organizations to promote innovative retail models, policies and programs that can help corner stores become the backbone of healthy neighborhood food retail. Presentation by Peggy da Silva, of Veritable Vegetable.com (Discussion/Possible Action Item).

SMALL BUSINESS COMMISSION
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SMALL BUSINESS COMMISSIONERS
DARLENE CHIU
JANET CLYDE
KATHLEEN DOOLEY
GUS MURAD
MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

9. **Discussion and possible action to make recommendations to the Board of Supervisors on File #090010: [Calling a municipal special election for June 2, 2009.]** Resolution calling for a municipal special election to be held June 2, 2009, for the purpose of submitting revenue and fiscal measures to the voters. Presentation by Commissioner Richard Ventura, Explanatory Documents: BOS File No. 090010
10. **Discussion and possible action to make recommendations to the Board of Supervisors on File #090009: [Modifying election procedures and deadlines for a June 2, 2009 election.]** Emergency ordinance (1) finding that an emergency exists for purposes of Charter Section 2.107; (2) modifying various election procedures and deadlines for a June 2, 2009 special election; and (3) identifying the proposed revenue measures that would be submitted using the modified procedures. Presentation by Commissioner Richard Ventura, (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 090009
11. **Discussion and possible action to make recommendations to the Board of Supervisors on File #080438 [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]:** Ordinance updating findings based on recent studies: amending San Francisco Health Code Sections 1009.20, 1009.21, 1009.22, 1009.23, 1009.25 and 1009.81, and adding sections 1009.26, 1009.27, 1009.28 and 1009.29, and making conforming changes in the Police Code by repealing Sections 53, 53.1, and 1098 and in the Health Code by repealing Section 1009.24. Discuss and possible action on the status of the recommendations the Small Business Commission submitted to Supervisor Daly's Office, June 2008. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080438
12. **Election of President of the Small Business Commission:** Allows the Commission to elect a member of the Commission to serve as President of the Commission. Requires motion and vote. (Action Item).
13. **Election of Vice-President of the Small Business Commission:** Allows the Commission to elect a member of the Commission to serve as Vice President of the Commission. Requires motion and vote. (Action Item).
14. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
15. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
16. **Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

SMALL BUSINESS COMMISSION
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RICHARD VENTURA

January 12, 2009

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION
MEETING MINUTES**

Monday, January 12, 2009, 5:30 P.M.

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Small Business Commissioners:

Members in Attendance: Darlene Chiu, Janet Clyde, Kathleen Dooley, Gus Murad, Michael O'Conner,
Richard Ventura Irene Yee Riley

Acting Director: Regina Dick-Endrizzi
Commission Secretary: Debra Edwards

Item 1 - Call to order and roll call: The Small Business Commission (SBC) met on Monday, January 12, 2009. The meeting was called to order at 5:37 PM in regular session and quorum established.

Item 2 - Approval of the September 8, 2008 meeting minutes: - No Action

Item 3 - Approval of the October 24, 2008 meeting minutes: No Action

Item 4 - General Public Comment: Scott Hauge presented the program Volunteers in Medicine a non-profit set up to provide a free clinic to working uninsured and there are currently is 71 clinics around the country. Scott said he visited the first clinic in Hilton Head, SC and that clinic has saved the community hospital \$2 million dollars last year. Scott Hauge said the San Francisco clinic is due to open in the Excelsior in 2010 and said it is a great program for the Small Business Commission to undertake with the San Francisco clinic in the means of increased visibility and outreach to business to understand the clinic.

Item 5 - Commissioner Reports:

Commissioner Clyde thanked Jennifer Matz for working hard to defend the office during the deappropriation hearing. She also acknowledged Supervisor Maxwell for being the first Supervisor to speak to the importance of small business in the current economic crisis.

Commissioner O'Conner has been speaking to the new Supervisors to start the dialogue on the importance of small business in their district and remind them that they campaign in support of small business and hope they will develop a good relationship with the Commission. Michael met with the Gillian Bogart of the youth commission to discuss youth employment with summer job and possibly look at a way to lower the minimum wage for summer jobs to make it easier for youth get their foot in the door with employment.

Commissioner Riley said that she also spoke to Supervisor Carmen Chu and Supervisor David Chiu and they both have voiced their support for the Small Business Assistance Center.

All Commissioners expressed Congratulations to former Small Business Commissioner and now President of the Board of Supervisors, David Chiu and the importance of having a leader at the Board of Supervisors who understands small business.

Item 6 - Director's Report:

Regina Dick-Endrizzi, first welcomed and introduced new Commissioner Kathleen Dooley. Kathleen Dooley said it is an honor to be on the Commission and that she is florist, President of the North Beach Association and has been working with many small businesses throughout the City regarding the ADA lawsuits. Regina then informed the Commission that Supervisor David Chiu ask to address the

Commission at its February meeting. Regina noted that since the Small Business Assistance Center (SBAC) opening on May 12, 2008, the SBAC has severed just over 1250 clients. Regina thanked the Commissioners for their help in stopping the deappropriation of funds to the office and thanked the small business community. She said that the Board of Supervisors took notice to the amount of response in support of the office. Regina did note that this department is a general funded department and this could be an issue again in the 09-10 budget. Next Regina gave a brief update to the Shop SF Get More campaign and said that it is going well and at the project partners are interested in doing this again next year. Regina noted that as part of Mayor's economic stimulus package there is some funding for small business loan program and will let you know if February the details of the loan program.

Item 7 - Presentation from the Office of Small Business on website, newsletter and client relationship management tool: **Holly Lung**, Project Manager, Office of Small Business presented the office's Customer Relations Management tool, Salesforce.com that business counselors use to track the SBAC business clients development of knowledge based information, data and statistical capabilities. She then reviewed a sampling of cases with the commission to show the range of inquiries at the SBAC plus a break down by district. She then reviewed the new layout of e-newsletter and the website redesign that has three portals (Small Business Assistance Center, Small Business Commission and Programs.) and lastly she said that noted that the restaurant tool will be added soon.

Item 8 - Possible action on Healthy Corner Store presentation: **Peggy da Silva, of Veritable Vegetable** provide a presentation to the Commission on the program Healthy Corner Stores, which started in the late 1970's to bring healthy fruits and vegetables to corner stores. She went through the challenges these stores have due to their size and this program works with them to figure out where and how best to display the produce to make it attractive. She noted that many distributors do not want to deliver to these stores because of the low volume. Veritable Vegetable will do small orders and small volume and make deliveries on a daily basis. Peggy said that they are trying to get the corner stores to be part of the WIC – Women Infant and Children coupons which now allows the coupons to be used for produce and working with youth since they are frequent e visitors to corner stores. **Commissioner Clyde** asked how for the number of employees at Veritable Vegetable and location. Peggy da Silva answered just under 100 employees and located at 1000 Cesar Chavez and with the Eastern Neighborhood plan the encroachment of housing is worrisome. **Commissioner Murad** asked how Veritable Vegetable works with the stores on marketing their produce. Peggy said they do have staff that works with stores on marketing the produce, but their biggest need is getting the refrigeration units and the health department has grants for this and her staff assists in obtaining grants funding to help the stores purchase these units. **Commissioner O'Conner** said that he would like to do a joint effort with Arab American Grocers.

Public Comment: None

Item 9 - Recommendations to the Board of Supervisors on File #090010: [Calling a municipal special election for June 2, 2009.] Richard Ventura noted that this resolution is calling for a special election and the costs to the city would be about \$3 million to \$4 million, there has been no engagement with the key stakeholders of the business community on why a special election is needed.

Public Comment:

Jim Lazarus of the SF Chamber of Commerce noted they were just as surprised by this legislation introduced by outgoing Supervisor Peskin. Jim noted that to pass revenue measures, whether they're simple majority or under state law 2/3 vote requirements from the public, a consensus you needs to be build and one needs more time to spend more than a few days or a few weeks developing that consensus. It is his understanding that a series of discussion were just beginning with the Mayor's office, the Board of Supervisors, labor, the business community to discuss the City's fiscal crisis, especially on the next budget year beginning July 1 and the actions that have to be taken. Jim said that the budget crisis can not be dealt with on the revenue side alone, that there are not enough revenues in what is proposed in the next item to deal with the crisis that the City is confronting in July budget. He said it is going to have to be a combination of cuts, it's going to have to be a combination of efficiency and perhaps some new revenues from a variety of sources the public might support. He also noted that the sense that we need an election in June, prior to the July 1 budget year really isn't true and that the City can adjust it's budget in the second half of the next fiscal year, just as easily as the first half and a November election is sufficient, and give time necessary to develop the consensus. He urged the Commission to transmit its opinion to the Board of Supervisors not to go forward with a June election.

Steven Cornell noted that the legislation proposed here, this commission is supposed to review all legislation that's for business and this is not happening. The second problem he stated is any study the SF

Chamber has ever put out and presented here over the years has shown that San Francisco has the highest taxes, fees, of any city or community west of Washington, D.C. and that was before it mandated health benefits and before mandated sick leave and now the Board of Supervisors is looking at a lot more potential taxes in the year that will all go before the voters and often where the voters will not vote to tax themselves and the ones where the City will tax businesses will all pass.

Scott Hauge urged the Commission to oppose the special election and what is missing is the aspect of collaboration and finding cuts as well as other taxes and having a full discussion about it and that is not possible by June, and I think this is very important that this commission oppose this measure.

Sylvia Johnson a lot of fishy things have been going on and I think it needs to be amended.

Sharon Miller from Renaissance Entrepreneurship Center said that she works with many small businesses throughout the city and right now any measures that would hurt businesses in San Francisco right now are not the right steps to take. She said we first need to avoid any kind of extra government spending and to remain focused on what our small businesses are doing for the City and the City needs to do everything it can to keep them strong and not take any resources from them.

Commissioner Murad noted that President-Elect Obama is fighting not to raise taxes on small business and we are in a situation where many small businesses are making enough income, there are layoffs, no new jobs here we are trying to look at introducing more taxes and at the end of the day the tax increases comes out of every citizen's pocket. He said he opposed to raising any kind of taxes or setting up this election for June.

Commissioner Clyde said she is concerned about rushing through an election that isn't necessary. She thinks the new Board of Supervisors along with its new President need the time to look what they want to do and should look at the entire picture, the City government, the small business community, as well as the situation the residents are all finding themselves in, and then come back with a plan. She said they need look at who's being taxed very carefully, where revenues are coming from, where revenues are not coming from, and they need to look at the government, what our tax base is, what our employment base is, and then government has to live with that. She also equally concerned about suspending voters' rights in having the election.

Commissioner Riley noted that she is in agreement with much of what has been stated and is concerned with the cost of the election and no indication of how much money we will gain from doing this and therefore does not support it.

Commissioner Ventura noted that the Commissioners all understand that there needs to be some understanding of the economic impact, dollars coming in, what will they mean, and where are the dollars coming from. He is concerned that there is no stakeholder engagement and how many people are actually involved in the drafting of this legislation or even in some of the data. Richard noted there is data that's been made available by other organizations telling us where we can draw some revenue, the impacts it will create, and if we continue down the path of additional taxes and fees, wait means to our business community, and all that data need to be taken into consideration; also if the City is looking at increasing taxes in doing businesses, why aren't we doing it to businesses coming into San Francisco and if the city of San Francisco is only contracting a small number with businesses in San Francisco, I think we need to take a hard look at it.

Motion: Commissioner Ventura moved to oppose File # 090010

Second: Commissioner Murad - Seconded

Ayes: Commissioners Chiu, Clyde, Dooley, Murad, O'Conner, Riley and Ventura

Item 10 - Recommendations to the Board of Supervisors on File #090009: [Modifying election procedures and deadlines for a June 2, 2009 election.] Richard Ventura note this piece of legislation talks about a state of emergency as well as various proposed taxes and fees to be raised in a June election.

Public Comment:

Scott Hauge present a report that was put together in 2004 by the Board of Supervisors, when the gross receipts tax was proposed and they looked at jurisdictions around the bay area and the cost of doing business in San Francisco, and this report was based upon a \$750,000 gross sales business and in these finding San Francisco is about five, six times higher than the next closest jurisdiction is business taxes. Scott noted that the tax figure is probably low right now due recent increases with the sick leave ordinance, increase in the minimum wage and health care ordinance. He said it is time that to put together an economic stimulus package and deal with contracting out and getting local businesses more business.

Jim Lazarus, of the San Francisco Chamber of Commerce urged the Commission to request that the

Board of Supervisors slow down, hold a normal public hearing process and bring any draft ideas forward as particular piece of legislation. Jim did say one of the serious ones that we're going to be confronted with as business owners in San Francisco and as residents, is that we are going to need to go back and revisit the 1986 ballot measure that rolled back residential utility tax and we are the only community in the state without a residential utility tax which could raise \$40 million or \$50 a year in 2009. He noted that there could be charter amendments to open up the ability of the City in times like this to use the rainy day fund and to amend the charter to open up the set aside that so constrain the City's budgetary freedom when there is a \$6 billion plus budget and less than \$2 billion of discretionary spending; Supervisor Elsbernd has introduced a charter amendment to require that one-time revenues only be used for one-time expenditures; he recommends to liberalize the ability of the city to contract out when it saves money, city functions to local San Francisco businesses. Again he stressed that the City needs to sit down with labor, along with business and community leaders and come up with a package of reforms for a future ballot that we can all support.

Stephen Cornell again stressed the need to emphasize contracting to small business or any business in San Francisco and the City is not buying from within the City,

Sylvia Johnson spoke.

The Commission drafted a resolution to be sent to the Board of Supervisors stating the Commission's position on the proposed measures:

WHEREAS, The Board of Supervisors introduced legislation to hold a special election and submit revenue and fiscal measures to the voters prior to the start of the next fiscal year; and

WHEREAS, the Mayor's Office has projected a General Fund deficit of \$575.6 million for Fiscal Year 2009-10; and

WHEREAS, the budget deficit will not be solved by the proposed fee increases in File # 090009; and WHEREAS, an economic analysis for File #090009 needs to be conducted to include economic impact on small business in addition to amount of revenue generated; and

WHEREAS, San Francisco is experiencing business loss; and

WHEREAS, the Small Business Commission request the Board of Supervisors to consider and develop an economic stimulus package that will help the businesses of San Francisco; and

WHEREAS, the City needs to reinforce the city's efforts to contract with local businesses that pay the taxes; and

WHEREAS, many businesses are currently weighing whether to stay or leave San Francisco due to the already high cost of doing business and have expressed that any additional taxes and are considering relocating out of San Francisco to neighboring communities; and

WHEREAS, the cost of doing business in San Francisco is among the highest of the cities and counties in California; and

WHEREAS, The Board of Supervisors, and the Mayors Office need to work first with business leaders, community leaders and labor to find an agreed solution to the deficit before placing revenue measures on the ballot; and

WHEREAS, the San Francisco Department of Elections estimates that the special primary election to be held on June 2, 2009 will cost approximately \$3,000,000; and

WHEREAS, on January 12, 2009 the Small Business Commission unanimously voted not to recommend File # 090009 and File #090010, therefore, be it

RESOLVED, That the Small Business Commission of the City and County of San Francisco hereby urges the Board of Supervisors of the City and County of San Francisco, vote to oppose both File # 090009 and File #090010, to hold a special election and to increase fees and taxes that will impact the businesses in San Francisco.

Motion: Commissioner Ventura moved to accept the proposed resolution to the Board of Supervisors

Second: Commissioner Chiu - Seconded

Ayes: Commissioners Chiu, Clyde, Dooley, Murad, O'Conner, Riley and Ventura

Item 11 - Recommendations to the Board of Supervisors on File #080438 [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]: Regina Dick-Endrizzi

reviewed the current draft of this legislation and its amendments with the legislation. She noted that it is will likely soon be revisited in committee. The Commission still request staff to move forward on its original requested amendments with the addition that the signage conform to the aesthetics and historical character of the City; and concerns regarding the addition of California Labor Code and the differences in feet distances (15 for business, 20 for service areas and waiting in line and 10 for

residential).

Public Comment:

Stephen Cornell agreed with Commissioner Clyde on the aesthetics of signage. He also noted that consideration needs to be given to people who have to fix the electrical stuff in an apartment that's been smoked in, does it mean that an owner can't send his or her worker in there to fix that place, and the fireman or the paramedic that has to go into an apartment where people have been smoking, does that not come under the same laws as the health hazard for the employees. He noted on page 15, the owner or manager of a multi-unit complex must additionally make a request in writing if the person is a tenant, it is not enough to go ask them to stop smoking, its got to do it in writing and are they to be doing that every five minutes?

Motion: Commissioner Chiu moved to send the memo back to the Board of Supervisors thanking Supervisor Daly on the changes made, however still request the remaining recommendations amend the legislation

Second: Commissioner Ventura

Ayes: Commissioners Chiu, Clyde, Dooley, Murad, O'Conner, Riley and Ventura

Item 12 - Election of President of the Small Business Commission: Before nomination were made President O'Conner said for the record and to his fellow Commissioners that there is a significant imbalance of commentary at the meetings from Commissioners that own business versus non-business owning Commissioners and that this commission is only as strong as the commissioners and the commissioners that care and want to voice their opinion. He also stated that it is personal opinion that the President of the Small Business Commission actually owns a small business and that we are debilitated by having Presidents and Vice Presidents that don't come from actual seats on the Commission that are supposed to be served by small business owners. Michael said the I the people that have stepped up and contributed the most on this Commission in the five years, six years, he has been on the Commission are the people who pay taxes, pay payroll, and sweat through permit processes. He noted that he no longer want to serve as president, and would like to see that done by somebody else, and very much appreciate the two years that he has been President and proud of the work that he put into the Small Business Assistance Center task force, and working with Jesse Blount and Mike Farrah, to get it taken seriously by the Mayor's Office, and the ensuing victories to get it open and staffing, et cetera, it has been a lot of time. In closing, Michael wanted to offer his views on who should serve as President on the Commission.

Motion: Commissioner Murad nominated Richard Ventura for President

Second: Commissioner Dooley

Ayes: Commissioners Chiu, Clyde, Dooley, Murad, Riley and Ventura

Abstain: Commissioner O'Conner

No other nominations made, Commissioner Ventura is elected President of the Small Business Commission.

Item 13 - Election of Vice-President of the Small Business Commission:

Commissioner O'Conner nominated Janet Clyde for Vice-President. Michael said it is important for the Commission to have a balance and a presence of a small business owner in either the Presidency or the Vice Presidency position for the Commission and we are entering a difficult budgetary year where, we will be working with a wide variety of members of the board of supervisors, the Mayor's office and the budget office.

Commissioner Dooley seconded Commissioner Clyde's nomination.

Commissioner Ventura nominated Irene Yee Riley for Vice-President

Commissioner Chiu seconded Commissioner Riley nomination.

Commissioner Clyde read a statement and asked the Commissioners for their support, Because I'm committed to assisting the San Francisco small business community and the city and county of San Francisco with the significant challenges that are facing us in the coming months. I'm going to read this just because I like the general public to also know where I come from on this commission, why I'm seeking the Vice Presidency and why I'm sitting here. I really believe that I have the skills to work, or actually are developing the skills to work with both of the office of the mayor and the board of supervisors as well as the public as we're presented with programs and legislations that affect the small business community. I'm a small business owner with employees and I have direct daily experience, with my business and managing the staff and directly serving the customers, I know what it involves in being compliant with the

rules, codes and tax liabilities that face the small business community. I live in the mission district in a solid working class neighborhood that is rapidly changing. I know the challenges of small businesses operating far from the power and economic centers of San Francisco, I intend to work to represent their interests and to insure that resources are not diverted away and in fact resources are directed toward these districts, even in this difficult budgetary time. It is important in my opinion to elect a team, a President and Vice-President who can work together and represent the broadest possible economic and business interests in our diverse business community. The economic safety net across the country is more precarious every day. The best investment the city can make is improving the economic stability of small businesses and strengthening the overall tax base is essential work for the Board of Supervisors and the Mayor's Office. I believe it is unwise to count on help from the federal or state government. The small business community is currently preparing for escalating taxes and fees from the state. These costs will shift significant expenses on to businesses and individuals. I believe the city must be very careful and judicious in seeking new levels, if we're not to drive more businesses and jobs out of San Francisco. I intend to focus on advocacy on the low and moderate income businesses. Business owners have no wage and hour protection. Business owners have no benefits protections, no rent controls on their rented commercial properties. Many businesses operate on month to month leases and are vulnerable to rent escalation and development. Large sections are rezoned for dense residential development and low moderate income businesses will need a strong voice with this commission. Many cannot hire expensive advocates to appear at Commissions and Boards on their behalf. I believe my election as Vice-President will also send a message to the mayor's office and the board of supervisors that we can work together in a challenging time. We can work together despite diverse interests and we will work together to serve the small business community. I ask for your consideration and thank you for your time.

Commissioner Riley said she is very passionate about helping the small business owners in San Francisco and helping the City and the Community. And although I'm not currently a small business owner, but my many years of experience working with small business owners, as a banker helping them work with finances and understand their leads and their, their situations and the challenges, and I feel that I'm very familiar with some of the challenge that small business owners are facing in San Francisco. And I'm retired, so I have time, so I want to use this opportunity to give back to the community and to the City and help the small business owners, to do my best for the Commission. I look forward to working with all of you.

Commissioner Murad stated that both candidates are extremely qualified and both are excellent Commissioners and this is going to be a difficult on every voting Commissioner, and I have no doubt every commissioner has a lot of respect to for each other, and no matter the results in the end, we're still going to be working together.

Commissioner O'Conner noted again his concern if the Commission has a President and a Vice President, that both come from downtown, it is important to have Commissioners voice the challenges small business are facing.

Motion: Commissioner O'Conner nominated Janet Clyde for Vice-President
Second: Commissioner Dooley

Ayes: Commissioners Clyde, Dooley, O'Conner
Nays: Commissioner Chiu, Murad, Ventura Riley

Motion: Commissioner Ventura nominated Irene Yee Riley for Vice-President
Second: Commissioner Chiu

Ayes: Commissioner Chiu, Murad, Ventura Riley
Nays: Commissioner Clyde, Dooley

Abstain Commissioner O'Conner
Commissioner Irene Yee Riley is elected Vice-President.

Item 14 - General Public Comment:
Sylvia Johnson

Commissioner Longo from Human Rights Commission congratulated the new President and Vice-President and important to work together on the crisis and for the small business.

Item 15 - New Business:

Commissioner Ventura asked Commissioners to look at their calendars for a full day on one of Saturday's in February for a Commission Retreat; he also called for a committee for the Executive Director. Commissioner Clyde and Riley volunteered to be on the committee

Commissioner Dooley requested continued discussion regarding the ADA Lawsuits.

Item 16 - Adjournment: 8:05 PM

Motion: Move to adjourn Commissioner Ventura

Second: Commissioner Riley

Ayes: Commissioners Chiu, Clyde, O'Conner, Riley and Ventura



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SMALL BUSINESS COMMISSION NOTICE OF MEETING AGENDA

Monday, February 9, 2009

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

1. Call to order and roll call:

2. **Consent Calendar: Action Item**

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing.

- a. **Approval of the September 8, 2008 meeting minutes:** Explanatory Documents: Draft September 8, 2008 minutes. (Action Item).
- b. **Approval of the October 24, 2008 meeting minutes:** Explanatory Documents: Draft October 24, 2008 minutes. (Action Item).
- c. **Approval of the November 10, 2008 meeting minutes:** Explanatory Documents: Draft November 10, 2008 minutes. (Action Item).
- d. **Approval of the December 8, 2008 meeting minutes:** Explanatory Documents: Draft December 8, 2008 minutes. (Action Item).
- e. **Approval of the January 12, 2009 meeting minutes:** Explanatory Documents: Draft January 12, 2008 minutes. (Action Item).

3. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

4. **Discussion and possible action on presentation from President of the Board of Supervisors, David Chiu.** (Tentative—Update and report from the President of the Board of Supervisors regarding small business, working with the Small Business Commission, the proposed Special Election, and Tax Measure proposed for a June 2, 2009 ballot—and). (Discussion/Possible Action Item).

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5. **Discussion and possible action to make recommendations to the Board of Supervisors on File #091035: [Payroll Expense Tax]** Ordinance amending (1) Section 903.1 to reduce the Payroll Expense Tax rate from 1.5% to 1.0%, for business whose taxable payroll expense exceeds \$300,000, but is less than or equal to \$400,000, beginning with the 2010 tax year; and (2) Section 905-A to increase the Small Business Tax Exemption to include all taxpayers whose taxable payroll expense is \$300,000 or less, beginning with the 2010 tax year. Presentation by Supervisor David Chiu. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 090135
6. **Discussion and possible action to make recommendations to the Board of Supervisors on File #090136: [Measure adopting and submitting to the voters an ordinance imposing a local assessment on all vehicles in San Francisco that are subject to Department of Motor Vehicle registration.]** Ordinance adopting and submitting to the voters the ordinance amending the San Francisco Business and Tax Regulations Code to add Article 8 imposing a voter-approved local assessment on the privilege of a resident of the City and County to operate upon the public highways in the City and County a vehicle or trailer coach, the registrant of which is subject to tax under Part 5 (commencing with Section 10701) of the California Revenue and Taxation Code, at a rate not to exceed the difference between two percent of the market value of the vehicle or trailer coach and the rate imposed by the State of California pursuant to Section 10751 of the Revenue and Taxation Code, administered by the State Department of Motor Vehicles; acknowledging that state law has not yet been enacted authorizing the imposition of the assessment but approving imposition of such a charge at the specified rate when and if state law authorizes the City to impose it and directing submission of the measure for voter approval at the June 2, 2009 special election. Presentation by Supervisor David Chiu. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 0900136
7. **Discussion and possible action to make recommendations to the Board of Supervisors on File #090024: [Modifies the cap on the amount that an individual production can receive under the Film Rebate Program, eliminates partial rebate of hotel and sales tax and extends the Program to June 2011.]** Ordinance amending Administrative Code Section 57.8 by changing the cap on individual rebates from the total amount of taxes that the production paid to the City, to \$600,000, modifying the definition of "qualified production cost" by eliminating fees and hotel and sales taxes from that definition, and extending the Film Rebate Program for two more years, until June 2011. Presentation by Stephanie Coyote, Executive Director, San Francisco Film Commission. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 090024
8. **Discussion and possible action on presentation on SFPark:** The SFMTA recently received federal funding to test an innovative approach to parking. The main goal of this new pilot project approach is to make parking easier to find and pay for. The SFMTA created SFPark, a new and innovative approach to parking. Managing parking more intelligently is important because it affects San Francisco's quality of life but also many of its transportation issues. Presentation by Jay Primis, SF Municipal Transportation Agency. (Discussion/Possible Action Item).

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9. **Presentation, discussion and possible action to make recommendations to staff on the Office of Small Business's Shop Local Initiative.** Presentation by Marc Caposino, Fresh Public.
10. **President's Report:** Allows the President to report on New Agenda Structure, Small Business Acknowledgement program, Small Business Commission Retreat, Small Business Week report, Commission minutes, and any recent small business activities and announcements (Discussion item)
11. **Vice-President's Report:** Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
12. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
13. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; Office of Small Business Projects; report on the "Shop SF Get More" campaign; report on any legislation the Commission has taken action on; and make announcements regarding small business activities. (Discussion Item).
14. **Public comment on all matters pertaining to the closed session:** Allows members of the public to comment on matters pertaining to the closed session (Discussion Item)
15. **Vote to go into closed session:** Held pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b): Public Employee Appointment/Hiring: Executive Director (Review applicants interviewed, and discuss/decide applicants to forward to Mayor for appointment) (Action Item)
16. **Vote to reconvene in open session:** (Action Item)
17. **Vote to elect whether to disclose any or all discussion held in closed session:** (San Francisco Administrative Code Section 67.12(a)) (Action Item)
18. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
19. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
20. **Adjournment:** (Action Item)

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SMALL BUSINESS COMMISSION
NOTICE OF MEETING AGENDA

Monday, February 9, 2009

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

1. Call to order and roll call:

2. Consent Calendar: Action Item

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing.

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- b. **Approval of the October 24, 2008 meeting minutes:** Explanatory Documents: Draft October 24, 2008 minutes. (Action Item).
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4. **Discussion and possible action on presentation from President of the Board of Supervisors, David Chiu.** (Update and report from the President of the Board of Supervisors regarding small business, working with the Small Business Commission, the proposed Special Election, and Tax Measure proposed for a June 2, 2009 ballot). (Discussion/Possible Action Item).

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5. **Discussion and possible action to make recommendations to the Board of Supervisors on File #091035: [Payroll Expense Tax]** Ordinance amending (1) Section 903.1 to reduce the Payroll Expense Tax rate from 1.5% to 1.0%, for business whose taxable payroll expense exceeds \$300,000, but is less than or equal to \$400,000, beginning with the 2010 tax year; and (2) Section 905-A to increase the Small Business Tax Exemption to include all taxpayers whose taxable payroll expense is \$300,000 or less, beginning with the 2010 tax year. Presentation by Supervisor David Chiu. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 090135
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7. **Discussion and possible action to make recommendations to the Board of Supervisors on File #090133: [Gross Receipts Tax.]** Ordinance amending the Business and Tax Regulations Code to: (1) enact a new Article 12-A-1 (Gross Receipts Tax Ordinance), Sections 951 through 958, to impose a gross receipts tax on persons engaging in business activities in San Francisco; (2) amend Article 12 (Business Registration Ordinance) to conform business registration requirements with the enactment of Article 12-A-1 (Gross Receipts Tax Ordinance); and (3) amend Article 6 (Common Administrative Provisions) to conform them with the enactment of Article 12-A-1 (Gross Receipts Tax Ordinance); and (4) amend Article 12-A (Payroll Expense Tax Ordinance) to conform it with the enactment of Article 12-A-1 (Gross Receipts Tax Ordinance). Amends the San Francisco Business and Tax Regulations Code. . Presentation by Supervisor John Avalos. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 090133

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8. **Discussion and possible action to make recommendations to the Board of Supervisors on File # 090134: [0.50% Sales Tax Increase for Emergency Health and Human Services and Public Protection]** Ordinance amending the San Francisco Business and Tax Regulations Code to add Article 16-A to provide additional support for emergency health and human services and public protection to residents of the City and County of San Francisco by imposing a transactions (sales) and use tax at the rate of one-half of one percent (0.50%) for a period of three (3) years, to be administered by the State Board of Equalization in accordance with Parts 1.6 and 1.7 of Division 2 of the California Revenue and Taxation Code; adopting an expenditure plan; and directing submission of the tax for voter approval at the June 2, 2009 election. Presentation by Supervisor John Avalos. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 090134
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11. **Presentation, discussion and possible action to make recommendations to staff on the Office of Small Business's Shop Local Initiative.** Presentation by Marc Caposino, Fresh Public.
12. **President's Report:** Allows the President to report on New Agenda Structure, Small Business Acknowledgement program, Small Business Commission Retreat, Small Business Week report, Commission minutes, and any recent small business activities and announcements (Discussion item)
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- 15. Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; Office of Small Business Projects; report on the "Shop SF Get More" campaign; report on any legislation the Commission has taken action on; and make announcements regarding small business activities. (Discussion Item).
- 16. Public comment on all matters pertaining to the closed session:** Allows members of the public to comment on matters pertaining to the closed session (Discussion Item)
- 17. Vote to go into closed session:** Held pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b): Public Employee Appointment/Hiring: Executive Director (Review applicants interviewed, and discuss/decide applicants to forward to Mayor for appointment) (Action Item)
- 18. Vote to reconvene in open session:** (Action Item)
- 19. Vote to elect whether to disclose any or all discussion held in closed session:** (San Francisco Administrative Code Section 67.12(a)) (Action Item)
- 20. General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
- 21. New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
- 22. Adjournment:** (Action Item)

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SMALL BUSINESS COMMISSION
NOTICE OF DRAFT MEETING AGENDA

Monday, March 9, 2009

5:00 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

1. **Call to order and roll call:**

2. **Vote to go into closed session;** Held pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b): Public Employee Appointment/Hiring: Executive Director (Review applicants interviewed, and discuss/decide applicants to forward to Mayor for appointment) (Action Item)

a. **Public comment on all matters pertaining to the closed session;** Allows members of the public to comment on matters pertaining to the closed session (Discussion Item)

3. **Vote to reconvene in open session;** (Action Item)

4. **Vote to elect whether to disclose any or all discussion held in closed session;** (San Francisco Administrative Code Section 67.12(a)) (Action Item)

5. **Consent Calendar: Action Item**

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing.

a. **Approval of the October 24, 2008 meeting minutes:** Explanatory Documents: Draft October 24, 2008 minutes. (Action Item).

b. **Approval of the February 09, 2009 meeting minutes:** Explanatory Documents: Draft February 09, 2009 minutes. (Action Item).

6. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

7. **Report and discussion on the current economic status to City and County of San Francisco:** Presentation by Ted Egan, Controllers office.

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7.8. Report and discussion on the \$730 million the U.S. Small Business Administration (SBA) received to assist small companies with financing, how much of it is coming to San Francisco, and how the new Economic Stimulus Package will offer more flexibility in SBA business loans. Presentation by Mark Quinn, District Director, Small Business Administration

8.9. Discussion and possible action to make recommendations to the Board of Supervisors on File #090228: 090228 [Temporary Revision of Payroll Expense Tax to Stimulate Job Retention and Creation] Ordinance amending the Payroll Expense Tax Ordinance by adding Section 905 to permit the Payroll Expense Tax owed for the year 2009 to be paid at the lower of the amount owed for 2008 or 2009 and for the year 2010 to be paid at the lower of the amount owed for 2008 or 2010, but not reducing any taxes attributable to payroll expenses for owners or beneficiaries of pass-through entities and others. Presentation by Jennifer Matz, Office of Economic and Workforce Development (Discussion and possible action item) Explanatory Documents: File No. 090228

9.10. Presentation, discussion and possible action to make recommendations to the Office of Economic and Workforce Development on Mayor Newsom's Strategy for Supporting San Francisco's Economy:

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- a. *Qualifying More Local Businesses to Work on City Contracts* - Through the Small Business Assistance Center (SBAC), the City will accelerate efforts to qualify small local businesses as certified vendors with the City. Simultaneously, the Department of Public Works is working on legislation to streamline city contracting laws to make it easier for local businesses to bid and win city contracts. This includes changing the Administrative Code, Chapter 6.62 (D) and 14B.8 (D) to allow listing of sub-contractors at the time of each "Task Order" rather than at the time of bid for the "Master Agreement"; and 6.62 (F) to increase the limit from \$3 million to \$5 million.
- b. *Healthy SF Payroll tax Credit* - Develop a program that provides an offset for qualifying small businesses that are participating in Healthy San Francisco.

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11. (Tentative) Discussion and possible make recommendations to the Board of Supervisors action on File No. 090141 [Zoning - Ordinance Making Tobacco Paraphernalia Establishments a Non-Permitted Use in the Haight Street Neighborhood Commercial District and in the newly created Lower Haight Street Tobacco Paraphernalia Restricted Use District.] Ordinance amending the Planning Code to amend Section 227(v), to create a special definition for Tobacco Paraphernalia Establishments applicable in the Haight Street Neighborhood Commercial District and in the Lower Haight Street Tobacco Paraphernalia Restricted Use District, as defined; amending Section 790.123 to refer to this special definition; amending Section 719.1 and the Table at Section 719, to make Tobacco Paraphernalia Establishments, as defined, not permitted in the Haight Street Neighborhood Commercial District; adding new Section 786, to create the Lower Haight Street Tobacco Paraphernalia Restricted Use Subdistrict; amending Section 186.1, to change the period of non use for a non conforming Tobacco Paraphernalia Establishment use to be deemed discontinued in the Haight Street Neighborhood Commercial District and in the newly created Lower Haight Street Tobacco Paraphernalia Restricted Use Subdistrict from three years to eighteen months; amending Special Use District Map SU 07 of the Zoning Map of the City and County of San Francisco, to reflect the new Lower Haight Street Tobacco Paraphernalia Restricted Use Subdistrict, and making

11. findings, including findings of consistency with the Priority policies of Planning Code Section 101.1

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and Environmental Impacts. Presentation by Supervisor Strickland's Office (Discussion possible
action item) Explanatory Documents: File No. 090141

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MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

- 12.11. **President's Report:** Allows the President to report on New Agenda Structure, Small Business Acknowledgement program, and presentation to Dave Sahagun, report on Small Business Commission Retreat, ABC Program and Small Business Week report, Commission minutes, and any recent small business activities and announcements (Discussion item).
- 13.12. **Vice-President's Report:** Allows the Vice- President to report on national and state economic climate, recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
- 14.13. **Budget and Economic Development Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion Item).
- 15.14. **Contracting Report:** allows the Chair to report on recent committee activities and make announcements (Discussion Item).
- 16.15. **Legislative and Policy Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion Item).
- 17.16. **Outreach Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion Item).
- 18.17. **Permitting Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion Item).
- 19.18. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
- 20.19. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; and make announcements regarding small business activities. (Discussion Item).
- 21.20. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
- 22.21. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
- 23.22. **Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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March 9, 2009

**CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION**

GOVERNMENT
DOCUMENTS DEPT

MEETING MINUTES

Monday, March 9, 2009, 5:00 P.M.

AUG 14 2013

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

SAN FRANCISCO
PUBLIC LIBRARY

Small Business Commissioners:

Members in Attendance : Darlene Chiu, Janet Clyde, Kathleen Dooley, Gus Murad,
Michael O'Conner, Irene Yee Riley, Richard Ventura

Acting Director: Regina Dick-Endrizzi
Commission Secretary: Holly Lung

Item 1 - Call to order and roll call: The Small Business Commission (SBC) met on Monday, March 9, 2009. The meeting was called to order at 5:05 PM in regular session and quorum established.

Item 2 -Vote to go into closed session:

Motion: Commissioner Dooley

Second: Commissioner Riley

Ayes: Commissioners Clyde, Dooley, Murad, Riley and Ventura

Item 3 -Public comment on all matters pertaining to the closed session: None

Item 4- Vote to reconvene in open session:

Motion: Commissioner Dooley

Second: Commissioner Riley

Ayes: Commissioners Clyde, Dooley, Murad, Riley and Ventura

Commissioner Chiu arrived.

Item 5 - Vote to elect whether to disclose any or all discussion held in closed session:

Motion: Commissioner Dooley motion not to disclosed any or all of the discussion.

Second: Commissioner Chiu

Ayes: Commissioners Chiu, Clyde, Dooley, Riley, Ventura

(Murad stepped out during item 5)

Commissioner O'Conner arrived.

Item 6 - Consent Calendar: Action Item

a. Approval of the October 24, 2008 meeting minutes:

b. Approval of the February 09, 2009 meeting minutes:

Motion: Commissioner Riley

Second: Commissioner Chiu

Ayes: Commissioners Chiu, Clyde, Riley, O'Connor, Ventura

Abstain: Commissioner Dooley

(Murad stepped out during item 6)

Item 7 – General Public Comment: None

Item 8 – Presentation from Ted Egan, Controller's Office on the current economic status to City and County of San Francisco:

Ted Egan from the Controller's Office presented a brief update on San Francisco Economic condition and how small business is steering given our current financial difficulty. Key economic indicators are tracked monthly and released in Controller's monthly barometer. They are looking at things like unemployment, the job rate, the city's social welfare burden and other indicators such as real estate and tourism. The city's economy continues to deteriorate in January and reached a city unemployment rate of 8% which is close to the national unemployment rate. For most of the past year, the country has been in a recession and San Francisco has not been. San Francisco has caught up with the national rate of unemployment and that is a sign that the State's severe economic recession has finally hit San Francisco in a serious way. In January, the State unemployment rate exceeded 10%, still considerably better than the surrounding state. Our economy is a creature of the state economy, it is impossible for San Francisco to completely escape recession while the state is in such serious trouble. In January, first time to see significant job losses as increase of unemployment. That distinction is important. For most of the second half of 2008, the levels of the industry employment in San Francisco, Marin and in the West Bay region of San Francisco and San Mateo counties are fairly stable while San Francisco unemployment rate is rising. Thought the reason happening is that unemployed people were moving to San Francisco from other parts of the state. San Francisco is relatively healthier than other parts of the State. That is not a situation that appears to be holding as of the new year. A forecasting firm that Controller's Office works with, Moody's economy.com is expecting no more than a 5% loss for the whole economy for these 3 counties. We experienced that job loss in January. Every year from December to January tend to shed jobs because there is a build up around the holiday season. From last January to this January, it's over a 2% loss. It's the first time seeing job loss in addition to that level of unemployment. The increase in unemployment from December to January is particularly strong. There are now over 36,000 unemployed people in the City of San Francisco, an increase of over 15,000 in one year. December to January was a particularly bad time. Of that increase of 15,000 people, 6000 was just in one month from December to January.

Other indicators of a deteriorating economy include real estate, 20% annual declines in medium home sales in San Francisco. This is a bad indicator for the real-estate industry because San Francisco does not have many foreclosures compared to the overall stock of housing. Contra Costa County and other parts of East Bay have 60% drops in sales prices, all driven by foreclosures or distressed sales at the bottom of the market.

Ted Egan also stated that the employment changes cannot be seen on a company by company basis, but industry by industry. The industry where it is being hard hit includes retail trade, financial services and construction. Foresee construction being the hardest hit sector throughout 2009. The one bright spot for San Francisco, is dating back to December, a very strong month for tourism, better than the previous December. Hotel was doing well because there was a number of conventions and the airport's traffic was good. Do not expect that to continue into the new year. That is an economic snapshot coming from the barometer. Ted also shared some analysis of sales tax data that they are trying to break down the specific effect on small businesses. The controller's office gets a quarterly report on sales tax payers to San Francisco that covers every business that pays sales tax. It can be categorized in different ways. The only downside is that at the moment they only have data through the third quarter of 2008, do not have data that reflects the depth of the recession. He showed a chart with the breakdown of sales tax payers in San Francisco in each revenue category. Controller's Office only has access to sale tax payer by sales information, not by their jobs, cannot define the standard of small business here. What this is showing is that 83% of sales tax payers in San Francisco earn less than \$500,000 a year in taxable revenues. That is the vast majority of very small businesses and it typical revenue per employee number. The breakdown of sales tax payment by size is much more differentiated.

The 1-500,000 revenue range is about 10% of sales, over 50 million plus for large businesses contribute another portion of 21% of their revenue, 10 to 50 million, 26%. This is like the employment rate in San Francisco which is one small business is about half of the total economic contribution. Ted is saying for the sake of argument, that 10 million is big business and below is small business. What he would like to share is the trends based on two, three data. This was sales tax paid by the size of business in the third quarter. This was pre-recession, July, August and September of 2008. It shows that the smaller business

categories, zero to 500,000, the 500,000 to 1 million are already showing declines in sales tax payment even before the recession hit San Francisco. Where they are seeing the sales tax growth is in the large business categories. Will have a fourth quarter sales tax data base available for analysis, hope to show this trend strongly.

Ted Egan stated that the credit crisis hitting in September may hit businesses that have fewer internal financial resources, more depend on a business line of credit. Even though they are seeing only the tail end of the credit crisis, they may see a much more pronounced trend on this data going forward. They can also provide an update on city revenues. They booked revenues whenever payment comes into the city so they could summarize that on a monthly basis. They may not necessarily refer to business activity in the months that they get the money, need to be cautious to interpret that as an up-to-date economic indicator.

The February unemployment number of the nation is about 8.1%. For January, it is 10.1% for California and 8.1% for San Francisco. Sales tax collected from small and big businesses is approximately \$140-150 million a year. The trend between the fourth quarter and the third quarter would be roughly \$35 million a quarter. The businesses that earn less than \$1 million contributed about 17% of that. Businesses that are from \$1 million to \$5 million are about 23% of that. Businesses from about \$5 to \$10 million are about 15% of that. \$10 million to \$50 million are about 26% of that. Businesses over \$50 million in sales are about 21% of that. Probably the first quarter of 2009 will be down relative to the last quarter of 2008. All other indicators have shown a slowdown in 2008, a decline in 2009.

Public comment – None

Item 9 – Presentation from Mark Quinn, District Director, Small Business Administration (SBA) on the \$730 million the U.S. Small Business Administration (SBA) received to assist small companies with financing

Mark Quinn - SBA is federal agency and partner with a lot of organizations and the City of San Francisco in making small businesses have information and awareness of how they can get access to variety of things that they need to start and grow a business. SBA has about 450 training events in San Francisco yearly, fund and support a number of organizations that do counseling and training independently, individual one-on-one counseling sessions. SBA, over the period of 1990 through 2008, has done about \$1 billion worth of small business loans in San Francisco for about 3500 small businesses. Currently about 1500 small businesses have the SBA loans current in the city, that's about half a billion dollars worth of SBA guaranteed loans here in the city currently. SBA is a fairly significant lender or guarantor of loans to small businesses in the city. The largest share of those loans is retail businesses. The 2nd largest component is the restaurant industry of San Francisco. Probably a quarter of their loans are to restaurants, a big part of the SBA portfolio.

Two years ago in the Bay area, SBA did about 3000 loans for about \$850 million in 2007. Last year reduced to 2000 loans, and now pace to do about 1200 loans. SBA did about \$20 billion of lending in 2007 nationally and paced to about \$11 billion in the current fiscal year. It's a tremendous drop-off in dollars and numbers for various reasons.

Mark Quinn said the American Recovery and Relief Act has a significant part of the \$730 million stimulus bill. It is not money that is designated to the city or one geographic area, it is based on demand from the small business community. SBA will increase micro loans, which makes loans to nonprofits that do micro business financing to individual small businesses up to 35 thousand financing. SBA has a micro vendor here in the city and hope to expand the amount of micro lenders and micro loans. SBA charge a guarantee fee for any business getting a SBA loan, typically 2% of a loan. For a business getting a \$2 million loan from SBA the business would pay in excess of \$50,000 for guarantee fee. The stimulus bill would waive the fee, it will not be charged to the small business borrower. SBA will increase guarantee percentage to the small-business lender from 75% to 90%. SBA will be making improvements to a secondary market SBA loans that is not currently operating effectively. Also there is a brand new program, America's Recovery Capital (ARC), where the types of businesses that are currently in crisis need to be able to get short-term capital to get through difficult times. It is being developed now and going to be a limited program up to \$35,000. It will be available by end of April or May. The micro loan program, the guarantee waiver and the guaranteed percentage increase are hopefully going to be in effect by end of this month.

Mark Quinn responded to Commissioner Murad that the loan has no minimum. On the low end, SBA has lenders doing \$10,000 loans, high end, would \$2 million SBA guarantee 75% in ordinary times, now 90%.

There is another SBA program called the Development Company Loan Program which is really a real-estate program. The structure of the program is the first mortgage that is not a SBA loan. The second which is a 504 loan they're making through a nonprofit certified development company. The borrower puts

in 10%, so 90% loan to borrower with 10% equity. Those loans are larger loans up to 4 to 5 million depending on the value of the property and the amount of the first mortgage. SBA does a significant volume of both.

The 504 program in California is a very active program, a guaranteed real-estate loan. It represents almost 30% of the SBA nation's business, mostly done in Northern California.

Mark Quinn also responded that SBA loan application process is about 6-8 weeks.

Commissioner Ventura is asking if it is good time for small business to consider the 504 program. **Mark Quinn** responded that the 504 program would allow small business owners to buy real estate with a relatively small equity injection and then use the additional capital to expand their business rather than put it into real estate. The program is a better way from a small business point of view to be able to buy the real estate that they are operating in. As to whether or not a good deal, it is a case by case decision. If looking to buy a real-piece of real-estate and to operate as an owner user, not for investment, the 504 program is an advantageous way to go. If a small business already owns their property and they are looking at refinancing it, this is not part of the stimulus bill, it is part of the authorization of this bill going forward, may have answer in next 60 days, already in process.

Mark Quinn responded to Commissioner Clyde that the underwriting criteria for SBA loans has not really changed and what they are trying to do is to expand the envelope in terms of the type of lending and the size of loans to try to make it available for smaller loans in particular. Quinn also stated that subordinated loans is possible, SBA have made loans where there is City involvement in the deals and there have been some loans that SBA has made for other parts of the project where City plays a role and make financing possible. SBA is also trying to provide emergency counseling for small business in financial crisis.

Mark Quinn also responded to Commissioner Murad that SBA does do debt refinancing for small business, but not significant. But most people with debt problems are not good candidates for debt refinancing.

Public Comment

Mr. David Sahagun commented on the increase difficulty to get a loan businesses credit lines shrinking.

Mark Quinn responded to Mr David Sahagun that they are seeing a significant loan reduction, but the same type of SBA lending in terms of small lending. Businesses that are looking for SBA lending are actually probably businesses that a year ago were ones that lenders would be willing to entertain small-business loans to without a SBA guarantee. That is going to be the case for certain types of businesses, like restaurants or circumstances like start up businesses or young businesses or those businesses with limited collateral. So the combination of factors of value of collateral, small business lenders are not as willing to make loans, even to businesses that a year ago they would have made loans to without guarantee, they are seeing that stronger businesses, ironically, needing a guarantee to get financing and businesses that are relatively new or weaker in terms of capital, structure or finance, not getting access to financing at all. Business is moving down into SBA guarantees where they would have gotten conventional loans.

The ARC program is going to be a short-term business loan for someone who has the immediate business problems. As far as the micro loan program, it is something that they would expect to see more demand for. A lot of businesses are looking for this program that would have used other sources of capital and home-equity lines of credit and are now looking for the micro loan program as other sources of credit is not available.

These information is available at the SBA district office or on-line at www.sba.gov.

Item 10 – Recommendations to the Board of Supervisors on File #090228: 090228

[Temporary Revision of Payroll Expense Tax to Stimulate Job Retention and Creation] Ms. Jennifer Matz from Office of Economic and Workforce Development talked about the temporary revision of Payroll Expense Tax to stimulate job retention and creation. This came out of a desire of the administration and through conversations with business owners to try to provide some cost reduction to businesses during these incredibly tough economic times. The parameters of any sort of reduction in costs were tricky, one is not to blow a further hole in the city's budget and also to do whatever to stop the hemorrhaging in the economy and to stimulate the economy. The conversation started around ideas like rolling back fees on what businesses have to pay across the board, reduce payroll tax rate in period of time. Through conversations with the Comptroller's office, one of the things that Ted Egan shared and brought to light is that this may not be as targeted and strategic as needed in these times. It may not stimulate businesses to conduct the behavior that as needed which is to retain and create jobs. The comptroller did a

report at the request of supervisor, Peskins, of looking at how fees and costs affect small businesses. It is very hard to disaggregate what a smaller or a bigger business pays. There are scarcely few city costs that only applied to small businesses.

Ms. Matz stated that the idea has been presented to the Board to cap the payroll tax for all businesses in the city at 2008 rates for two years. Her Office is asking for a policy level to have the city forego the potential revenue for the increase in jobs for a period of two years to incentivize those jobs. The comptroller is working on a report of what the economic impact of this will be.

Commissioner Murad is suggesting to extend the benefits from two years to next three to five years. **Commissioner Riley** agreed. **Ms. Matz** said proposal could be done at the Board of Supervisors with six votes.

Ms. Matz responded to Commissioner Riley, the reason of going back to year 2008 is because there was increase in payroll in that year. And it was really dealing with the dual tension of not trying to reduce further the general fund at a time of general fund crisis. And so starting with this year as the floor but having it effectively be a ceiling, by doing this was a compromise for businesses with a certainty. They were trying to get as close as they could to a new job tax credit. The last one that the city tried was administratively a disaster. This one is a lot more elegant and it doesn't require a business to show that they created a job, how long did they retain it, did someone have it for the first time of the year, this is simply about your payroll calculation. They just wanted to have a floor for general fund purposes.

Public Comment

Mr. David Sahagun said that's a pretty good program to start. However in reality that unemployment's going up, small businesses are not having as many employees. And the economy is giving the same plan in that 2009 payroll tax will be less than 2008, it's just not economic realities. So he would like to see the Board of Supervisors really hit on mandates and taxes and fees that are a big burden on small businesses here along with the proposed payroll tax freeze to 2008 rates. He thinks by leveraging that with looking at the mandates that are really a hardship on small businesses, it may help present incentives for employment growths here in San Francisco.

Commissioner Murad recommended to extend for 3 to 5 years.

Commissioner Clyde recommended to extend for 2 years, in favor of graduated rates, and there are many other incentives available for small businesses.

Motion to support the temporary revision of payroll expense tax as discussed here:

Commissioner Dooley

Second: Commissioner Riley

Ayes: Commissioners Chiu, Dooley, Murad, O'Conner, Riley, Ventura, Clyde

Item 11 – Recommendations to the Office of Economic and Workforce Development on Mayor Newsom's Strategy for Supporting San Francisco's Economy:

Jennifer Matz from Office of Economic and Workforce Development said these two aspects of the local economic stimulus are very much work in progress, currently discussions and meetings underway with the Director of Human Rights Commission, the Director of the Office of Contract Administration, Naomi Little and Ed Reskin, Department of Public Works all of whom are directly affected by different parts of the administrative code of getting city dollars out the door quickly to local businesses. Other aspects that are being worked on include things like an idea to make what is currently a discretionary micro business set aside program that the director of the Human Rights Commission can instruct departments to spend small contracts exclusively with local business enterprises as opposed to having those businesses be subs on larger contracts.

The Healthy Payroll Tax Credit - Healthy San Francisco is a program that is incredibly important to having employees in this city have access to health coverage. And the mayor is acutely aware of the financial burden that it has placed on small businesses. Not just Healthy San Francisco but the Health Care Security Ordinance. Ms. Matz said what they're really looking at is not simply providing financial relief for businesses that are participating in Healthy San Francisco, but relief for all businesses that would be between 20 and 49 employees that are subject to the health care program. There are only 850 businesses in San Francisco who have opted for Healthy San Francisco. It gives businesses three choices for how to comply with the mandate. One is provide insurance equal to a certain dollar per employee per hour worked. The other is provide these health accounts that your employees can draw down and qualified have a reimbursement account, it can be used for qualified health expenses also has to be equal to a dollar

amount. The third is buying Healthy San Francisco for your employees.

That dollar amount is burdensome regardless of which of the 3 options chosen for those businesses between 29 and 49 employees. They are currently looking at is a prospective cap on per dollar, per employee requirement for businesses between 20 and 49 employees moving forward for a set period of time.

Ms. Matz said that her understanding is that the Human Rights Commission has a huge appetite to be doing more workshops in conjunction with Small Business Commission in order to get the word out and get more and more small businesses certified as local business enterprises, therefore making them eligible for these contracts when they come up. **Ms. Matz** also mentioned that the best source to figure out which city dollars go to what San Francisco business is the Controllers Office because they pay the bills and Human Rights Commission tracks the LBE participation.

Originally, Healthy San Francisco was being designed that small business was going to contribute about \$35 million. The Office of Labor Standards Enforcement has recently sent out upwards of 14,000 surveys to which they think to hopefully get the 5,000 businesses that are newly participating under the Health Care Security Ordinance that weren't providing health care before in order to understand how much they're paying and what they've chosen to do. The surveys result will be ready by July. The idea is to cap the amount that an employer would have to contribute toward an employee's health coverage, moving forward.

Commissioner O'Connor voiced out that he thinks the whole concept of this is pretty ridiculous, not going to help anybody. And there are so many problems that need to be addressed and how Healthy San Francisco is affecting small businesses.

Commissioner Clyde said as a small business owner, the big frustrations was only an employer paid mandate whenever other state or federal program that addresses an employer need is funded by both sides of the equation. There are employer contributions and employee contributions, there are a couple small ones that are only employee or employer. This should have been addressed across the payroll base, the entire tax base. The cap is extremely important going forward at the very least because only 15% of San Francisco small businesses pay in. And only half of San Francisco residents are employed in San Francisco, so the City is providing health care for employee who is not in San Francisco, and those costs are not probably going down. The small business community feels that they're unfairly taxed relative to their size. Bigger businesses can off set because they have lower costs operations in other jurisdictions.

Public Comment.

Sharon Miller, CEO of Renaissance, an entrepreneur and resident in San Francisco, is delighted that the city is working to further the L.B.E. certifications and making the process easier. She urged the city to put some teeth into this in terms of the goals and the numbers of contracts that will be made available to local businesses. She works with many small businesses and there are challenges to getting contracts is not only certification, it's the availability of those contracts as commissioner Ventura mentioned, there is great strides happening with corporations. One of their efforts is to have all primes higher local businesses as their sub primes, but the city can actually require this in every single contract that goes out to bid. She is urging the city to look at that. Recently there was actually a picket on 3rd Street at a construction project. There were no local businesses working on that construction project. The response was they had no qualified people. She thinks there has to be legislation that actually puts some teeth into these goals.

Commissioner Ventura said the competitive advantage of a small business has been removed by a lot of different fees and various costs of business, however, that doesn't allow them to really compete. The subcontractor role which mandates primes to actually subcontract a small business, he thought it's going to be one of the biggest hurdles in trying to make the city understand that the commission needs to draw a line in the sand, and say, let's name a certain percentage that must be spent on local business. And if its not spent, then there's a possibility of losing a contract. That's going to encourage primes to start doing business. Ventura suggested to refer all these ongoing items to committees. Present them directly with Ms. Matz or bring them back to commission for discussion. He wants to design a language a legislation or policy that they can introduce or share that represents the small business community.

Item 12 – Recommendations to the Board of Supervisors action on File No. 090141 [Zoning - Ordinance Making Tobacco Paraphernalia Establishments a Non-Permitted Use in the Haight Street Neighborhood Commercial District and in the newly created Lower Haight Street Tobacco Paraphernalia Restricted Use District.] Commissioner Ventura said they are going to continue item number 12 to the April calendar. It was heard during committee. Recommendation was that the full committee actually hear the item. The speaker was not available, will continue that item.

There is a letter from the Haight Ashbury Improvement Association supporting the legislation.

Item 13 – President's Report

Commissioner Ventura acknowledged small businesses in San Francisco and asking all commissioners to acknowledge one or two businesses monthly, and actually bring someone forward that really enlightened him on small businesses and understanding how tight profit margins can be and how businesses function.

Commissioner Ventura presented on behalf of the City & County of San Francisco a Certificate of Honor to David Sahagun, owner of two Chevron gas stations in Pacific Height and Castro Street since 1979 and also former president of the first charter small business commission. David has been an active member of the community and has maintained the commitment to doing business in San Francisco for 30 years. David Sahagun thanked for the award. He is very grateful, honored, and appreciates the hard work from the Small Business Commission.

Commissioner Ventura said the small business commission retreat has gone very well and is getting positive feedback. He thanked Commissioner Dooly for keeping the commission in the media for 2 days in the same week, raising the profile of the commission as well as getting all of the goals and plans set for each committee and getting them to move forward. Ventura thanked everyone for all the efforts made.

Commissioner Ventura said the ABC program is going to be included during small business week, introduced by the Hispanic Chamber of Commerce. It has a different view than typical access to business capital where they identify companies who are looking to turn the corner and need significant funding and are introducing them to Angels and V.C.'s. He wanted to bring it in and include it during small business week and open it up to women businesses, to other ethnic groups. It's something of significance where they can look at creative funding solutions for your business which may not mean giving up part of your companies. There can be angels that can set fundable performance benchmarks. And they can basically boot strap their way and not need additional cash. So he is really looking to get more participation for the ABC program.

The event planner for small business week has resigned. Have support from PG&E, Visa, and Hewlett-Packard, Wells Fargo to support the underwriting, confirmed the total now is at \$75,000, currently \$5,000 under the lowest financial need for small business week to function. Assistance from Norcal Sunset is needed.

Commissioner Clyde said she is working on contacting some people in the small business community who might be interested in assisting.

Commissioner Ventura said the committee is looking at hiring either one or two people to assist with small business week to coordinate all the restaurants at City Hall for May 18th, the big kick-off with the Mayor and to coordinate some of the other components of the Small Business Week.

I've accepted the position of co-chair with Leslie Milloy so we can get through the next six to eight weeks and make sure we get everything done.

Ventura said SBN has an event on Monday, suggesting everyone to attend. All supervisors have been invited too.

Item 14 – Vice-President's Report

Commissioner Riley reported as summary, the unemployment, empty office space and empty store space is up. Retail sales, hotel occupancy, real estate, construction is down. Credit is still very tight. Bank is not entertaining new client and it's not easy out there. Riley was on two of the committees, the Budget and Economic Development Committee and also the Outreach Committee, so deferring that to the Chair to report.

Item 15 – Budget and Economic Development Committee Report:

Commissioner Chiu said the first thing the Committee to focus on was to understand what the impact of small businesses is, are or are making to the general fund. And wanted to look at requesting information from the tax collector's office that will inform us what the dollar amount is of all the taxes and the fees. Chiu thanked Holly for gathering that information, but thought they'll get more accurate information from the tax collector's office.

Another item in terms of the understanding the current economic down turn, how it is negatively impacting businesses including China town, wanted to understand the level of assistance that are

available, what are the credits out there, what the neighborhood marketplace initiative is doing, what kind of information gathering. **Commissioner Chiu** also wanted to have the China town economic forum continue to make a presentation. Understand they are coming to April meeting to tell what is happening. And commissioners will continue to have these outreaches to help them financially and help stimulate their business.

A third item to focus is how to promote the services that are available to the small business community in San Francisco and continue to have the quarterly district economic forums. The Committee would like to participate in the board of supervisors' meeting being held in the district. They are meeting every month two weeks before the regularly scheduled meeting. Chiu has drafted a letter to submit to the supervisors.

Item 16 – Contracting Report

Commissioner Ventura has received some information from Human Rights Commission and is reviewing it currently. He will be working with H.R.C. but also with the Legislative & Policy Committee.

Item 17 - Legislative and Policy Committee Report:

Commissioner Clyde, co-chair with Commissioner Murad, said they did review the legislation and recommended the majority of it to the full commission. For the goals and action plans, it is important to develop a criteria for forwarding information to the full commission on the legislation. As they looked at different pieces, they realized that significant legislation should always be referred to full commission where they looked at possibly creating a consent calendar where they could vote on several items as a piece at the beginning of the meeting where there are minor changes to legislation going forward that they already heard, where they already have a presentation, there might be minor changes but they can make recommendations on those items, put them together as part of a consent agenda and any commissioner could take an item out of the agenda at the full meeting. But if they don't see any reason to look at a piece of legislation again, they could vote on several items as a piece.

They also agree to meet twice a month, two weeks after the regular meeting, and one week before two weeks after the Monday meeting and one week before the Monday meeting, in order to capture and review all legislation that's coming through the board of supervisors that might have an impact on the small business community, making sure the commissioners are getting timely information. One thing is to establish good working relationships with the Board and keep an open door policy with all of the elected officials.

Commissioner Ventura decided that Gus Murad should speak to the sponsoring supervisor, and include as part of a consent calendar, so at least participate in the decision-making process.

Item 18 – Outreach Committee Report:

Commissioner Dooley said the Committee decided to start compiling a master list of all the commercial vacancies in different neighborhood commercial districts by contacting the neighborhood associations so information will be available for potential people coming into the city for and looking to rent. Committee is also working with creating a list for reasons for vacancies to see if there are some specific trends that can be picked out and start working on. There were some great suggestions to outreach to commercial realtors and provide them with a place to go to look at all the vacancies all at once. Also to outreach to the landlords and the potential business owners via letters, and help with the keep coming up problems to make it harder to rent commercial store fronts. Also discussed with a number of departments to create brochures and easy to understand information for the compliance for Americans with disability act, to get that broadly out to all levels of the city by one-page flyers and a lot of different languages, just to get it down to a point where many people who don't look to City Hall for anything will be able to find that information, that would include networking, neighborhood associations that aren't necessarily business associations but aid with work, especially to non-English-speaking communities that they can help put forward this information. The Committee is working with the San Francisco Chamber and Office of Economic and Workforce Development, trying to pull all information and hopefully gathering a pretty comprehensive look to take a survey of what's going on in the whole city vacancy-wise.

Item 19 – Permitting Committee Report:

Comment: None

Item 20 – Commissioner Reports:

Commissioner Ventura said that commissioner reports actually become almost non-existent now that we have all these committees moving forward. He is asking everyone to take their goals and objectives and

action plans that were just discussed tonight and email to Regina for her to put into her notes for the retreat. Basically create a strategic plan and find a way to put on website and let people see the commission going forward.

Item 21 – Director's Report

Acting Director, Regina Dick-Endrizzi is reporting that the small business assistance center has served 7,717 clients up to date, a pretty significant increase from February numbers and also two items in terms of some work that the center has done. La Cocina brought to the attention that often his clients' seller's permits are denied because they don't have a California license or I.D. Communicating with the State Board resulted in a re-notification and a reminder to all the processors of all the acceptable forms of I.D. The center also helped to assist in catching the individuals who were involved in a scam ring shaking down the small business at Castro Street.

Trying to promote neighborhood merchant corridors and highlight the neighborhoods, the new campaign called Escape to the City will probably enrolling out early April.

Online Restaurant Tool, unfortunately, has been delayed by the Technology Department and expected delivery date to be determined.

Mayor's economic stimulus loan programs will be ready to launch in mid April.

The Special Election is on hold. The three tax measures that were done last month are now sitting in the budget and finance committee. Regina has provided a list of merchant organizations that she has met with.

Item 22 – General Public Comment:

Public Comment: None

Item 23 – New Business

Commissioner Ventura is asking Commissioner O'Connor to work on putting on future agenda on the issue of prosecution and crimes not being prosecuted. Need to find a strategy and put pressure on the District Attorney's Office to make sure there are prosecutions and not just being slipped away. O'Conner is also asking to invite a representative from Yelp to attend a meeting in April or May.

Commissioner Riley asked the guidelines for recommending a small business to be recognized. The recommendation was requested earlier by **Commissioner Ventura**.

Commissioner Ventura said that the program was really created just to acknowledge small businesses. If it is an anniversary, if it is a business that has been around for a long time, if it's a business making it into their third year, which is a third year point for businesses. Or if it is around even something that sheds light on one of the legislative pieces that they have, where they come forward and talk about how they are surviving. That would be really good stories to tell, and they deserve to be acknowledged.

Commissioner Clyde commented on 'Shop Local' program, work has really been paying off with significant good result in the neighborhood.

Item 24 – Adjournment

Motion: Move to adjourn **Commissioner Dooley**

Second: **Commissioner Riley**

Ayes: **Commissioners Chiu, Murad, Clyde, O'Conner, Ventura**



April 6, 2009 5:30 pm (Special)

SMALL BUSINESS COMMISSION NOTICE OF MEETING AGENDA

**Monday, April 6, 2009
5:30 P.M.**

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AUG 14 2013

CITY HALL, ROOM 421

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102 **SAN FRANCISCO
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1. Call to order and roll call:

2. Review, discussion and possible action on a complimentary ordinance to Supervisor David Chiu's FILE 090320 - Local Business Enterprise and Non-Discrimination in Contracting Ordinance, to place mandatory goals on prime vendors to purchase goods and services from LBE's. Presentation by Commissioner Richard Ventura. (Discussion and Possible Action)

3. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)

4. Adjournment: (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that city operations are open for the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6083. To obtain a free copy of the Sunshine Ordinance contact:

Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4683
Office: (415) 554-7724
Fax: (415) 554-5163
E-Mail: sott@sfgov.org

Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org.

Cell Phone and/or Sound-Producing Electronic Device Usage at Hearings

Effective January 21, 2001, the Board of Supervisors amended the Sunshine Ordinance by adding the following provision: The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the

meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

Disability Access Policy

Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART Station is the Civic Center station located at the intersection of Market, Hyde and Grove Streets. Accessible MUNI lines serving the Veterans Building are 42 Downtown Loop and the #71 Haight/Noriega and the F line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services call 923-6142. Accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex. American Sign Language interpreters and/or a sound enhancement system will be available upon request by contacting Milton Edelin at 558-6410 at least 72 hours prior to a hearing. Individuals with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-8925 to discuss meeting accessibility. In order to assist the city's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the city to accommodate these individuals.

Translation Services

Interpreters for languages other than English are available on request. Sign language interpreters are also available on request. For other accommodation, please call the Department of Human Services staff support representative at 557-5989 at least two business days before a meeting.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by San Francisco Lobbyist Ordinance [Article II of the San Francisco Campaign and Governmental Conduct Code] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Ave., Suite 3900, SF 94102 (415) 581-2300, FAX (415) 581-2317 and web site address at <http://www.sfgov.org/ethics/>.

Chemical Sensitivity

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical base products. Please help the City accommodate these individuals.

SMALL BUSINESS COMMISSION
NOTICE OF MEETING AGENDA

Monday, April 13, 2009
5:30 P.M.

CITY HALL, ROOM 400

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1. **Call to order and roll call:**
2. **Approval of the February 09, 2009 meeting minutes:** Explanatory Documents: Draft February 09, 2009 minutes. (Action Item).
3. **Approval of the March 9, 2009 meeting minutes:** (Action Item) Explanatory Documents: Draft March 9, 2009 minutes. (Action Item).
4. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
5. **Discussion and possible action to make recommendations to the Board of Supervisors on File No. 090229 [Temporary Benefit Payment to Encourage Investment]** Ordinance amending the San Francisco Administrative Code by adding Section ____ to provide a two year benefit payment for persons who purchase taxable business property in San Francisco in calendar year 2009. Presentation by Jennifer Matz, Office of Economic and Workforce Development (Discussion and possible action item) Explanatory Documents: File No. 090229
6. **Presentation on the Neighborhood Market Place Initiative and Chinatown Economic Forum.** Presentation by Amy Cohen, Office of Economic and Workforce Development. (Discussion)
7. **Consent Calendar: Action Item**

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing.

- a. **Possible action on File No. 090141 [Zoning - Ordinance Making Tobacco Paraphernalia Establishments a Non-Permitted Use in the Haight Street Neighborhood Commercial District and in the newly created Lower Haight Street Tobacco Paraphernalia Restricted Use District.]** (possible action item) Explanatory Documents: File No. 090141

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SMALL BUSINESS COMMISSIONERS
DARLENE CHIU
JANET CLYDE
KATHLEEN DOOLEY
GUS MURAD
MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

- b. **Possible action on File No. 090226 [Commercial Water Conservation Ordinance Amendments]** Ordinance amending Chapter 13A of the San Francisco Building Code to improve the water efficiency of commercial buildings by requiring water conservation devices to be installed no later than January 1, 2017, or upon major additions or improvements. Presentation by Jon Lau (possible action item) Explanatory Documents: File No. 090226
 - c. **Possible action on File No. 090226 [Residential Water Conservation Ordinance Amendments]** Ordinance amending Chapters 12 and 12A of the San Francisco Housing Code to conserve existing water supplies by reducing the overall demand for water in residential buildings by amending the standards for required water conservation devices and requiring leak repair in all residential buildings, except for tourist hotels and motels, upon the occurrence of specific events. (possible action item) Explanatory Documents: File No. 090225
 - d. **Possible action on File No. 090274 [Planning - Union Street Neighborhood Commercial District - Small Self-Service Restaurants and Self-Service Specialty Food Uses.]** Ordinance amending Planning Code Section 725.1, Section 725.44, and Section 725.69A of the Union Street Neighborhood Commercial District Zoning Control Table to provide for a limited number of new Small Self-Service Restaurants and Self-Service Specialty Food uses subject to conditional use authorization by the Planning Commission, making environmental findings, and making findings of consistency with the General Plan and priority policies of Planning Code Section 101.1. (possible action item) Explanatory Documents: File No. 090274
8. **Review, discussion and possible action on proposing legislation to direct and increase the amount of dollars prime vendors into the local economy and increase LBE participation.** Presentation by Commissioner Richard Ventura.
 9. **Discussion and possible action on proposed legislation for Waiver of Temporary Street Space Occupancy Fee on May 16, 2009 for Small Business Week:** Ordinance waiving the fee in Public Works Code Section 724.1(b) for temporary street space occupancy in certain sections of the City on Saturday, May 16, 2009 as part of Small Business Week. Presentation by Regina Dick-Endrizzi. (Discussion/Possible Action Item). Explanatory Documents: Draft Ordinance
 10. **President's Report:** Allows the President to report on New Agenda Structure, Small Business Acknowledgement program, Small Business Commission Retreat, Small Business Week report, Commission minutes, and any recent small business activities and announcements (Discussion item)
 11. **Vice-President's Report:** Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).

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- 12. Budget and Economic Development Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 13. Legislative and Policy Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 14. Outreach Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 15. Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
- 16. Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; and make announcements regarding small business activities. (Discussion Item).
- 17. General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
- 18. New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
- 19. Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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April 13, 2009

CITY AND COUNTY OF SAN FRANCISCO

SMALL BUSINESS COMMISSION

GOVERNMENT
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MEETING MINUTES

Monday, April 13, 2009, 5:30 P.M.

AUG 14 2013

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

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Small Business Commissioners:

Members in Attendance: Darlene Chiu, Janet Clyde, Kathleen Dooley, Gus Murad, Michael O'Connor,
Richard Ventura Irene Yee Riley

Acting Director: Regina Dick-Endrizzi (hereafter referred to as A.D.)

Commission Secretary: Martha Yanez

Item 1 - Call to order and roll call: The Small Business Commission (SBC) met on Monday, April 13, 2009. The meeting was called to order at 5:30 PM in regular session and quorum established.

Item 2 -Approval of the February 09, 2009 meeting minutes: - No Action

Item 3 - General Public Comment: Gail Lillian spoke about the difficulty she has had obtaining the permit necessary to open a healthy falafel truck in San Francisco. Specifically, she noted the rule that a pushcart peddler's truck cannot be within 1,500 of any public school as well as a 600-foot rule prohibiting peddling within 600 feet of a business, truck or station establishment selling similar cuisine. She asserted that the rule was ambiguous in its use of the term similar. She said she felt that any business with casual fare food would have grounds for saying they did not want her there. She contended that those other casual fare businesses would argue that she as an unfair advantage because she has a different overhead structure as a truck than brick and mortar establishment. Lillian further expressed frustration at the difficulty she has had getting into contact with permit officers at 850 Bryant St. She said she had been trying to reach someone at the department for four weeks to no avail.

Commissioner O'Connor: said this issue has been coming up in the Mission around a Taco store near 22nd and Harrison that is being requested to move because of proximity rules. He went on to say in response to Lillian's claim about the perception of food trucks not having overhead, that there are a lot of expenses that a truck has to deal that a brook and mortar Commissioner O'Connor stated the Commission is trying to help small businesses in dealing with the various hurdles the city presents.

Commissioner Murad: went on to ask a few questions about Lillian's situation. He inquired whether Lillian had a particular district in which she was looking to set up her truck and if she had any hours of operation in mind. He also asked for clarification about the 600 foot rule mentioned by Lillian earlier (above). He said the biggest complaint about the taco store on 22nd and Harrison that Commissioner O'Connor mentioned is customers leave a lot of food and paper all over the sidewalk.

Gail Lillian: responded that she has called several permit officers. Lillian stated that she was told by both district officers she got in touch with that they have not given a peddler's permit during the duration of their employment as permit officers. Lillian said she is now trying to find a location in the Design Center neighborhood. She said she is looking for her hours of operation during lunch Monday through Friday either in one location or in two locations of the course of the week.

Commissioner Ventura: asked Lillian to provide her contact information and told her that Acting Director Dick-Endrizzi would follow up with her. He also noted that others were working on the permitting

issue and that the Commission would make sure those persons received Lillian's contact information.

Item 4 – Discussion and possible action to make recommendations to the Board of Supervisors on File No. 090229 [Temporary Benefit Payment to Encourage Investment].

--Jennifer Matz did not appear for presentation; item continued--

Item 5 – Presentation on the Neighborhood Market Place Initiative and Chinatown Economic Forum.

Amy Cohen, Office of Economic and Workforce Development, presented. Cohen explained the purpose of the Neighborhood Marketplace Initiative is to address issues of retail corridors, particularly in the low and moderate income neighborhoods in San Francisco. She noted some of the problems the Initiative is trying to solve revolve around neighborhoods that have a lot of vacancies, rundown physical character, neighbors that have safety issues or perceived issues that hurt foot traffic in retail, as well as a host of other things such as threats or fears of displacement and of a history of city inaction. The goal of the program, Cohen stated, is to create vibrant retail corridors and to have residents be able to get what they need in their immediate neighborhoods, to improve the physical appearance and also to build the organizational capacity to manage, steward, improve, and maintain those commercial districts such that they can eventually be self empowered. The fulfillment of these goals, she said, was dependent on very close partnerships with merchants, residents, property owners, other key stakeholders in the area.

Cohen went on to state the Neighborhood Market Place Initiative and Chinatown Economic Forum is a grant funded program. She continued by explaining, the neighborhoods the Initiative currently works in are Vis Valley, Bay View, the lower part of Polk, Taylor street and some surrounding streets in the Tenderloin with Chinatown being the Initiative's newest area. She said the project is starting some work on Bay Shore and has been asked by the redevelopment agency to do some work on the lower part of Fillmore.

Each commercial district the Initiative works in, Cohen said, has a neighborhood planning process. In most cases it looks at economic data, maps business types and locations, and surveys the area. She said the community, merchant, and property owner participants come up with an action plan to improve the neighborhood. The Initiative then provides start-up funding that ends up being multi-year funding for the corridor manager. The corridor manager works with a steering committee of merchants, property owners, neighborhood residents, and C.B.O.'s who implement the pieces of plan the city cannot do as well. Cohen also noted the Initiative's efforts to provide technical assistance for program monitoring and evaluation is sometimes possible only with the help of private funders. She stressed the need for additional funding from private partners who have access to funds the Initiative does not. Further, in the realm of finance, Cohen noted the Initiative is trying to direct as many city resources and programs already existing through the various departments as possible to the Initiative project neighborhoods because the overall financial investment in those areas is very small.

Cohen explained a number of activities to attract business to the area. In one scenario, the Initiative wrote letters to certain businesses with information about neighborhood vacancies, offering to help those businesses expand. The people on the ground, Cohen said, refer businesses to the Office of Small Business and to those that are providing technical assistance, training, financing. In a couple of neighborhoods the Initiative provides specific lease assistance to help the businesses that need longer or better leases. The corridor managers are doing merchant organizing, either in tandem with the other merchant associations or, in many cases, because there is no merchants association. Additionally, the Initiative supports street fairs in project neighborhoods either with money or staff.

Cohen then turned to Chinatown, indicating that the E.W.D. has been told by the Mayor to do something in Chinatown. The E.W.D. hired a consultant and conducted an interview study that resulted in a 300 person forum event and preliminary plans for Chinatown. Some of the major findings were the need for more night-time activities and the need for tourists to have more ways to spend money in Chinatown. Cohen pointed out that even though Chinatown is the second most visited area, the sales tax revenues in Chinatown have fallen steadily over seven years and have been strikingly low compared to the citywide numbers in that same period, which had been increasing until probably last year.

Cohen said the Initiative looked at what it can do to better market the area by hiring someone to do a small marketing campaign as a preliminary test. The Initiative is going to have some funding to continue that and build a comprehensive website that tells people what there is to do in Chinatown in terms of events and shopping as well. She also said the Initiative is going to allocate funding towards a map of the area with a possible business directory. To address the sense of not enough restaurants, she suggested the directory might include collections of photos of good-looking food plotted on a map. She cautioned though,

there is politics on how to single out any restaurant as being good. She went on to talk about bringing in new, ideally China-owned or Asian-owned businesses, to Chinatown that would have the ability to build some foot traffic in the area which she said Commissioners Chiu and Yee Riley might be able to help with. Cohen said a lot of the Chinese businesses that are really getting a lot of attention are on the peninsula, especially restaurants. The idea, she said, is to lure some of the interesting businesses, especially those that bring in young people, to Chinatown. She said the Initiative has looked into parking issues in Chinatown and thinks parking is not as bad as everyone thinks except for certain times of day in certain places. The parking issue, she explained, is a marketing problem because there is a perception that there is absolutely nowhere to park. She said people do not know there are three garages serving the area.

Commissioner Murad suggested the idea of creating some wide zoned area for the tour buses, perhaps to drop people off for an hour or so.

Commissioner Clyde mentioned he was interested in helping the Initiative. She expressed that the street fairs are very expensive propositions but went on to point out the city has the ability to forgive those fees or discount them. She said he would like economic activity encouraged around smaller blocks, noting that small activities can go a long way. She also said he would like to see criteria developed by the department, and perhaps see the Entertainment Commission develop criteria for either significantly discounting or forgiving certain fees as long as criteria are met. She suggested such criteria as no alcohol sales, maybe all ages, not needing the police, or not needing MUNI to be rerouted as pretexts for discounted street fair fees.

Commissioner Dooley said he had attended a bus tour of the sites and was impressed by the enthusiasm of the people. He went on to say that although a lot of merchants could not quite articulate what the program was, they knew they were getting something out of it.

Commissioner O'Connor noted there are a lot of amazing restaurants in Chinatown and a lot of amazing spaces but reiterated there is low turnout in many. He cited the example of the Grand Palace, a place he called one of the most amazing spaces in the city that nonetheless has a poor turnout. Such cases he said, beg questions of how ownership can be assisted in improving business and how the city can take an active role in connecting business with resources, such as the right executive Chef, for example. He said there is a need for a few really strong success stories to propel successes in other places.

Amy Cohen responded that space for the tour buses have not been so much as an issue in Chinatown. Most people who complain about parking live in the avenues or on the peninsula. She did note double parking is, however, an issue in the area.

Responding to Commissioner Clyde's suggestion (above) Cohen said to her knowledge none of the street fairs in the neighborhood project sites have gotten any street fair fees forgiven. She announced there would be a neighborhood block party on April 18 that the Initiative was helping to sponsor it. It would be on a Saturday in the Waverly Alley from 11:00am to 5:00 with an Arts in the Alleyway event. The neighborhood had had to pay the full permit fees, though the city did not have to re-route MUNI lines. She said Marta Yanez was helpful to the managers planning the street fairs who need to navigate the permit and fee issues. Cohen also complimented Holly from the Small Business Assistance Center for being a helpful resource to business owners that been referred by the Initiative. Cohen also suggested that perhaps the fee waiver policy Commissioner Clyde suggested was something the E.W.D. and the Commission could look into in conjunction with one another. Cohen continued noting a lot of the groups working with the Initiative project get small grants from the arts commission, so most of the project neighborhoods access that grant funding once a year.

Commissioner Ventura said the tour helped him gain an understanding of the role of the corridor managers who are talking to business owners and trying to decide what needs to happen. Commissioner Ventura asked whether there was a report generated by the corridor managers. Cohen replied that although there is no published compiled report currently, the corridor programs submit reports semiannually and a program evaluation is in progress that covers several years of assessing successes based on surveying over time. Cohen offered to share those plans with the Commission and Commissioner Ventura agreed that that would be of tremendous value to the Commission.

Item Number 6 -- Consent Calendar:

a. File No. 090141 [Zoning - Ordinance Making Tobacco Paraphernalia Establishments a Non-Permitted Use in the Haight Street Neighborhood Commercial District and in the newly created Lower Haight Street Tobacco Paraphernalia Restricted Use District.]

- b. File No. 090226 [Commercial Water Conservation Ordinance Amendments]
- c. File No. 090226 [Residential Water Conservation Ordinance Amendments]
- d. File No. 090274 [Planning - Union Street Neighborhood Commercial District - Small Self-Service Restaurants and Self-Service Specialty Food Uses.]

Commissioner Murad explained action items 6(b) and 6(c), File No. 090226 pertaining to commercial and residential water conservation, respectively, on the agenda. He explained to the best of his knowledge that the water department is willing to refund around 70% of the costs of replacing a toilet or urinal, whether in a business or in an apartment building. He noted the Commission recognized the urinals cost a lot more money and their refund is a little lower. He said the Commission has asked that the refund for a urinal be up to \$100 over and above what was currently being offered – an increase changing the offered \$200 to a \$300 refund on every changed urinal with the conservation program.

Commissioner Clyde added the water conservation measures were seen by the committee to be fair legislation with good timelines for implementation. The Commission thought, she affirmed, had asked that the measures increase the refund money. Properties affected by the ordinance, she explained, are actually not that many overall because people are putting in conservation low-flow now, a move that is in the property owner's financial interests. She said she and Commissioner Murad felt items 6(b) and 6(c) were worthy of support.

On item 6(a), File No. 090141 pertaining to tobacco paraphernalia zoning, Commissioner Clyde explained the zoning ordinance making tobacco paraphernalia establishments a non-permitted use in the Haight Street neighborhood commercial district and in the newly created lower Haight Street tobacco paraphernalia restricted use district was legislation the Commission had heard earlier that year or late the previous year. The legislation, she said, makes the tobacco paraphernalia moratorium permanent. She stated she and Commissioner Murad recommended the ordinance go forward.

Commissioner Clyde explained that item 6(d), File No. 090274, legislation involves the Union Street neighborhood commercial district, small self-service restaurants and self-service specialty food uses. It allows for the addition of no more than 12 such facilities in the commercial corridor. The proposal's advocates, she said, are finding residents as well as the people that work in the businesses along Union Street do not have anywhere for lunch and there is a neighborhood need for small self-serve and specialty food businesses. This push came through and was supported by the neighborhood and by the merchants on the corridor. She pointed out that the ordinance does not involve alcohol and bars or anything so it was noncontroversial. Ultimately, she and Commissioner Murad also recommended item 6(d) be passed.

Commissioner Riley asked what the economic impact of 6(a) and 6(b) would be and inquired about how the rebates would be funded. Commissioner Clyde responded that the Public Utilities Commission would be paying.

Commissioner Murad clarified further. He said the program was already ongoing so some form of payment had been happening. What he thinks the Commission added on to the existing program was to have the P.U.C. try to look into more funding for the urinal pieces. It will help small business, he continued, in the current economic environment. He also wanted to get confirmation on whether the \$100 increase on the urinal rebate was a guarantee by the P.U.C. and expressed that he hopes that is the case.

Commissioner Clyde added the city does have a mandate of conservation to abide to by 2017. The city has a certain level of reduction they must reach to avoid having to pay a fine. The P.U.C., she said, is just formalizing the current legislation to get to the bit of businesses or residences which had not yet switched over.

Commissioner Riley also asked for clarification about the self-serve restaurant ordinance, item 6(d). He wanted to know whether the term self-serve restaurant meant that there would be no tables to sit and no waiters or servers. Commissioner Clyde explained self-serve indicates there are no waiters and the customers must go to the counter to order and usually pay first but that there can be tables or a small counter at which to sit.

Commissioner Chiu asked whether the ordinance would allow chain restaurants. Commissioner Clyde responded it would likely not, but that he did not know absolutely.

Motion: Commissioner Ventura moved to approve the entire for items on the consent calendar on the agenda – File No. 090141, File No. 090226 (Commercial), File No. 090226 (Residential), and File No. 090274.

Second: Commissioner Chiu**Ayes: Commissioners Chiu, Clyde, Dooley, Murad, O'Conner, Riley, and Ventura.**

Item 7 – Discussion on proposing legislation to direct and increase the amount of dollars prime vendors into the local economy and increase LBE participation. Presentation by Commissioner Richard Ventura.

Commissioner Ventura said the work on this legislation has been ongoing and he wanted to make sure the Commission has some input. He went on to say the group received some information from the San Francisco Chamber of Commerce and has some research about best practices to increase LBE participation. He called on Rob Black to share some of the information that came out of research conducted by the San Francisco Chamber.

Rob Black greeted the Commissioners and announced himself as the Vice President for Public Policy with the San Francisco Chamber of Commerce. Black explained there seem to be two different types of approaches when assessing how to deal with local contracting: (1) set asides and (2) preference. In the former, certain contracts are set aside for people who qualify under a particular program or type of contract that is set aside for LBEs. He recommended the option of reserving a percentage amount for a particular group. The latter option, would approach the contracts as a preference such that certain bidders would get certain percentage bonuses on their contracts.

It is necessary though, Black said, to identify the base the city would like to tap. He posed the questions of: who the city wants to take advantage of? Who the city wants to assist in this process, such as local or small business or a combination of the two? There are also various ways to define business. Black noted there are jurisdictions that define small businesses by the number of employees and pointed out that while the state of California looks at 100 workers for warehouse laborers, other jurisdictions may use different figures. Some jurisdictions also define small business on the basis of gross receipts, which can also have various standards of measurement between businesses. Similarly there are varying interpretations of categorizing businesses as local. Some look at the percentage of employees that work in the jurisdiction versus nationally or internationally to define local. Others examine whether the business has a certain percentage of its revenue coming from that city or local jurisdiction. Black noted various definitions can be used to make the LBE category more or less flexible depending on the city's needs.

Commissioner Murad expressed that he would be happy to help with the issue and thanked Rob Black. He said he liked the preference option for helping companies within San Francisco. San Francisco cost is higher than other cities, he pointed out. If a company is bringing in a contract from another city, they can bid that price cheaper than somebody from San Francisco.

Commissioner Clyde thanked the San Francisco Chamber for sharing all of the information. She noted Long Beach had recently created a contract requirement for all of its contracts. The prime contractors are required to have a certain percentage of their contracts go to locally owned businesses and small business enterprises. She questioned what Black thought about that process and the requirement that a prime contractor be required to sub a certain percentage out to different business categories.

Rob Black responded that Long Beach's method is one way of doing it. However, he explained the city has to make sure anything it moves forward with is at least as easy as it is currently and the Chamber did not want to make it more difficult to do business with the city because that scenario would create a barrier for small businesses that do not have a lot of administrative support. Often, he said, the city gets only one or two bidders for projects because there is history of the city not performing well with contractors and that should be taken into account as a policy concern.

In terms of large contracts, he continued, the city has some large locally based businesses that would not be a small business but would be in local business category. He posed the questions of whether the Commission wanted to help businesses such as WebCore -- local business; incentivize them through this program; and whether there was a way to marry issues with both local and small business. Such questions, he said, need to be a part of the conversation. He suggested the Commission could possibly carve out certain types of contracts that should always go to an approved list, as long as there are three competitors. That will not work for every type of contract, however, he cautioned. For large construction contracts, he recommended subcontracting as a good approach.

Commissioner Ventura replied that the Commission would like to marry the two broken down categories of L.B.E.'s: the micro L.B.E. and the graduated firm of the L.B.E., which has been doing work with city for a while. He explained people who have been working with the city and have graduated from trying to do business with the city have been contracting on ongoing business; those businesses can

leverage their capacity to integrate some of the micro L.B.E.'s by subcontracting.

Commissioner Ventura went on to discuss the program implemented by the Mayor of Long Beach. It was introduced in March of 2009. The Long Beach Department of Public Works, Gas and Oil, will have a 20% goal in their contracts to include small business enterprise participation. The departments will set certain goals for each contract to direct the prime contractors to hire them as correlated services. Of the 20% goal, a 10% goal is for general SBE's and a 5% goal is set for very small businesses. The program was in its very early stages at the time of the meeting. Commissioner Ventura stated the Commission has taken a step back after listening to what corporate America is doing and said that 20% is too high. He said the Commission would set itself up for failure. Some thing he said he is working to figure out is what the city needs are, what commodities are being purchased by the city, and what the city has available through the current certified businesses. From there he suggested the Commission identify the gap between those fields and then discuss outreach of how the Commission could partner with others to identify companies that provide commodities the city buys who are currently not participating through city purchasing.

Responding to Commissioner Murad's question of whether the Commissioner was thinking about creating a different formula for each category, Commissioner Ventura replied that part of the discussion has come out saying that goals have to be set based on either commodity or business category, and that the Commission could not create one standard with which to say 10% across the board on every commodity purchased by the city. The contracts he said, may have a different set of rules for different types of commodity versus service contracts, for instance legal services would have its own rules.

Commissioner Ventura stated that he had included a report demonstrating how the banks are not looking at best practices together. The Commission, he said, had brought Union Bank of California forward and taken a look at their goals from 2000 until today, noting how they have increased MBE, WBE, service disabled veterans from 6% to 38% today. Instead of using that same terminology necessarily he said we could use term LBE as a process itself. Some of the recommendations for LBE's he offered are starting as low as 5% in some areas and may be going to 3%, possibly making it larger in other areas.

Upon hearing Robert Black's caution that while the percentage set aside is worth looking at and perhaps doing, the cost of administration and watching that process go forward can be difficult as it require a lot of staff and energy to maintain on the contractor side and on the city side, Commissioner Ventura said that the Commission group has had a discussion to that end. He said it is contingent upon the ability of reports that can be imported into their existing system, which currently require manual data input. The group had met with the Mayor's Office to discuss online reporting systems. In such cases, information is immediately populated into the system and there is less need for manual input. This system, he said, requires no effort on the city's part to change what they are doing. That is placing a measure on prime vendors during business with the city's, since 92% of them are outside of San Francisco. He did question how the city was to translate the population within corporate America into the population working with the public sector, pointing out that there are certain laws that the Commission and the city must abide by such as regarding MBEs and WBEs. He cautioned that the legislation will need to evaluate the language it is using to create the participation the Commission wants.

Commissioner Ventura announced that at the next legislative committee hearing the Commission wanted to hear the ideas and comments of all city departments that are having discussions about the present issues. The city departments, he said, will not be ready to have that discussion for another couple of weeks. He went on to say that all groups involved are working under the same time line and trying to provide something within the next three weeks, stating that although everyone has been going in different directions they will come together in one forum.

A.D. Dick-Endrizzi addressed the issue of how the Commission would choose a plan. She said that the group had met with the director to review the members' thoughts and determine how those ideas would come in to play within David Chiu's legislation, noting there is some work that the Mayor's Office and others were currently doing in relation to that legislation. She said the group will be working with the Mayor's Office in trying to fold in what is being presented at the present Commission meeting into the legislation and procedures. She expected more discussions to develop as the work being done at the Mayor's Office continued. She further noted the legislation had been slowed down due to some legal and other concerns that arose with the department and how they were going to work on the legislation which had subsided the initial sense of urgency about the legislation.

Commissioner Clyde commented that large companies and corporations are very active in accessing enterprise zones and tax credits, along with other state and federal credits. This makes it seem as though they have a good process ready for tracking their spending with different categories, and suggests that it

may not be that difficult for them to track WBEs and MBEs.

Commissioner Riley recalled that at the last meeting the Commission mentioned that a lot of the vendors already have the capability of reporting and generating information. She noted that the city does need to be able to have its system communicate with their system to get the information, track, and monitor it. She questioned what such a process entailed and whether the city is capable of doing that now. Commissioner Ventura responded that the answer could not be made now because the diversity tracking system has not been updated since 2006, when the definition of LBE came into place. The person in charge of bringing everything current was aiming to bring everything up to date within the next two weeks to give the Commission a more comprehensive view of the data that had been gathered as well as to discuss how the data could be into the upgraded system. Ideally, the new system would have the capability of importing data electronically.

Public Comment:

Alfonso Mazelle explained that he started a business in San Francisco 25 years ago. He went on to explain that his business tries to pay fair wages, often above union minimum wage, as well as health benefits, vacations, leave, and a pension. Right now, however, he said the economic climate was creating an environment not very conducive to having the type of overhead he had. He said he is counting on the Small Business Commission as one of the tools for the survival of his company.

Mr. Mazelle said he heard the city out promoting green initiatives focused on environmentalism and sustainability. He said, despite his businesses environmental practices, he has been unable to sell to the city. He had been certified by the city for over a year. He explained that he had tried to get certification from the Department of the Environment without success. He said that the Department of the Environment had certified a few shops and then stopped issuing certifications altogether and criticized the Department for not having guidelines for and after certification is issued. In conclusion the gentleman stated that he would make himself a permanent fixture at commission meetings so that the issue could be resolved.

Norman Pearce introduced himself as a long term San Francisco resident, noting nonetheless that this was his first meeting with the Small Business Commission. He explained that he has volunteered to help educate a lot of people run their business in the past in addition to serving on the Mission Bay campus advisory committee at UCSF. The latter, he said, produces reports that come out every quarter with percentages of labor on every job during the building the campus, the geographic spread of the labor used, as well as numbers on MBE and MOBs. Pearce offered to provide this information to the city to help the SBC in its current evaluation of LBEs. Commissioner Ventura thanked Pearce and requested that Pearce provide his contact information to acting-Director Dick-Endrizzi.

Commissioner Ventura stated that since there was no other public comment, item 7 would continue in the Legislative Committee. He explained that if Commissioners would like to be apart of the further discussion on the item, they would need to provide a minimum of 72 hours notice before the meeting. The meeting was scheduled for April 27th. Hence, the Commissioners were requested to provide notice by the Friday prior to the scheduled meeting.

Item 8 – Recommendation on Waiver of Temporary Street Space Occupancy Fee on May 16, 2009 for Small Business Week.

A.D. Dick-Endrizzi explained that an attachment section number four provided a list of merchant corridors to have initiated their interest in participating in the city sidewalk sales as part of Small Business Week. She stated that the Commission needed to present legislation in order provide fee waivers for the participants of Small Business Week and that the current paperwork served as draft legislation in which the City Attorney was awaiting confirmation. The presentation before the Small Business Commission was the first step in the process of obtaining waivers for the street space occupancy fees during Small Business Week.

Motion: Commissioner Clyde moved to approve proposed legislation for the waiver of the temporary street space occupancy fee on May 16, 2009 in support of Small Business Week.

Second: Commissioner Chiu – seconded

Ayes: Commissioners Chiu, Clyde, Dooley, Murad, O'Conner, Riley and Ventura.

Item 9 – President's Report

Commissioner Ventura thanked all the Commissioners for their valuable efforts. He then updated the commission on the details about the upcoming Small Business Week. He said the Certificates of Honor

would take a bit of extra time and might be taken into the Commission's own office to see if their making could be expedited. He also expressed the need to create criteria for selection of the certificate recipients, suggesting Commissioner Riley take the matter to the outreach committee. Elaborating on the financial aspects, he stated the budget was \$75,000 and that although the project had to scale back a bit, a new event coordinator had been hired and the event should pass successfully. He also suggested that the registration in the form of a passport would list everyone and that each person would be stamped once, unable to return once they had been stamped. The grand Expo by the San Francisco Chamber was announced for the upcoming Thursday, and the sidewalk sales were noted as having been moved into the different approved corridors. Commissioner Ventura said he had done a tour of the sidewalk sales by bus and encouraged all of the Commissioners to make contacts and spend time with the city merchants in order to get to know business owners face to face. He also encouraged Commissioners to look out for stories from the Small Business Commission in the media.

Lastly, Commissioner Ventura addressed the position of the Director, saying that he did not yet have an answer on the position. There also had not been a Commission Secretary since the previous September. He advised that all the Commissioners should make a recommendation that they wanted a decision regarding the positions to be made.

Item 10 – The Vice President's Report:

Commissioner Irene Yee Riley reported he had participated on the proposal review committee for the administration of the city and county of San Francisco. That meeting took place on March 25 and TMC Working Solutions was elected to administer the revolving door fund. The budget Economic Development Committee met on March 23 and the average committee met on April 2.

Item 11 – Budget and Economic Development Committee Report:

Commissioner Darlene Chiu went on to report on recent committee activities. She said they would be holding a focus group asking different restaurant owners, in San Francisco and/or the Peninsula, what it would take to get them to come into Chinatown. The goal is to revitalize Chinatown by cleaning up the streets and alleyway, as well as putting to use the free spaces there. She also discussed the different economic zones and corresponding tax incentives, proposing the goal to reach out to different CPAs and accountants in San Francisco to clarify that information for them. A.D. Dick-Endrizzis also added that part of the performance goals for the Department of Economic Workforce Development have been to work with other city parts in terms of outreach and education on the credit incentives. She suggested one of the ideas for this proposal has been to work with CPAs in certain language specific communities. Finally, she noted that the committee sent out letters to the supervisors to ask them to have local district meetings and invite board members from the office to participate in discussion with those small business owners.

Item 12 -- Legislative and Policy Committee Report:

Commissioner Janet Clyde expressed concern that the Policy Committee had still not heard from the Department of the Environment and felt that was an important issue. A.D. Dick-Endrizzis said that the Department of Environment had been rescheduled for the next legislative meeting.

Item 13 – Outreach Committee Report:

Commissioner Kathleen Dooley reported that the committee had finalized the letter that would be going out to all of the merchant organizations and also neighborhood organizations asking them to help participate in a vacancy study of commercial vacancies. This was designed to let the city as well as merchants know about commercial vacancies as well as provide the Commission with any comments or incites those organizations might have. She said that she would be working with a particular case in her district attempting to get two particularly pressing vacancies filled. She also noted PG&E had asked the committee to help participate in an outreach program to begin in the summer that entailed going to each district and distributing offers to help businesses cut their costs using incentive programs. The outreach committee was scheduled to be working along with PG&E in doing walk-throughs of different districts to add their support and help people get more involved in energy programs which have been very productive for a number of small businesses. She noted that the committee had been working for a long time on putting together educational materials for merchants with regard to requirements for the Disability Act requirements but was not quite finished yet. They were implementing materials that could be distributed throughout the communities or to neighborhood groups and had plans for a kit about which more detailed information was not readily available.

Item 14 – Commissioner Reports:

Commissioner O'Connor discussed a summit that he and the Entertainment Commission put on in conjunction with staff that addressed nighttime serving business in San Francisco. With about 100 people in attendance, the summit had a panel discussion with representatives from the Controller's Office, the

Mayor's Office, and Robert Black from the Chamber, Steve Adams from Sterling Bank, as a well as a few other panelists. The summit was an effort to reach out to various owners and people in the night life business to give them an idea of what is available for assistance at City hall. A.D. Dick-Endrizzi added that two key things that came up in the panel were that Mr. Adams had relayed information that toll counts at the Bay Bridge on Friday and Saturday nights were higher than during regular commute hours, meaning a larger number of cars coming into the city than during commute hours. She noted though, most city services are directed toward daytime industries and there is a need to expand the availability of some of those services to the needs of nighttime industries. The latter, she pointed out, has also expressed the need for themselves to get more organized locally as well as statewide, particularly as they confront issues with the ABC. Commissioner O'Connor continued by elaborating about ABC efforts to penalize live music clubs who are not selling the percentage of food required by the ABC to license the clubs as all age venues. He suggested what the focus should be on rather than food is whether the areas adequately dividing the underage people from the 21 and over in their access to alcohol. The suggestion was made that new criteria of obtaining all age licenses or some effort to modify the ABC enforcement rules in this regard might help resolve the issue. The concept of an entertainment district was also briefly noted. Commissioner Murad joined in agreement that nighttime business do significantly contribute to the city financially and are vital to the culture of San Francisco. He also explained the success of the Community Benefit District on the 2500 block of Mission St. Commissioner Clyde pointed out that 75-80% of San Francisco residents who spend their money in San Francisco during the day earn that money at night. She encouraged the Entertainment Commission to look at incentivizing small entertainment venues and suggested the Commission urge the city and state to address the issues faced by nighttime businesses. She also stated she would file a request as a private citizen for the Entertainment Commission to look into the issue.

Item 15 – Director's Report

A.D. Dick-Endrizzi began by reporting that the Small Business Assistance Center was coming on its one year anniversary since being opened and has served nearly 2,000 clients since it opened. The SBAC was working on presenting a workshop, coordinated primarily by the OED, on how to market through social media. Twitter and Yelp were also scheduled to be involved. She announced that the Shop Local campaign was scheduled to begin near the beginning of May and would involve a number of advertisements in newspapers, buses, and billboards encouraging San Francisco to shop local. In addition, she mentioned the online-restaurant tool which was near complete. She expressed desire for increased efforts to have the toolbar address certain customer service elements and encouraged the Commissioners to access the link and provide feedback. She also noted that the SBAC had been successfully been working with the Hispanic Chamber of Commerce to conduct access to business capital training and that TMC working solutions would soon be taking applications for the Revolving Loan Fund. She further noted the SBAC has been receiving positive feedback on its Newsletter. She went on to state that she had met with the Small Property Owners of San Francisco, many of whom felt the Commission did not see them as involved in the community, and invited them to give a presentation to the full commission. She noted that Yelp was also scheduled to speak to the Commission at the May meeting and requested that the Commissioners prepare a list of issues they would like the company to address. This would also provide a forum to address the concerns small business owners have voiced about Yelp. Lastly, she reported that the SBAC staff had come together to discuss SBA loans and is in the process trying to work with the SBA to obtain Chinese-specific workshops or information mechanisms to inform the Chinese community in San Francisco about SBA Loans. There had been a concierge convention recently and merchants' associations were looking into outreach to the concierge industry.

Item 16 – General Public Comment

Norman Pearce expressed support for the Small Business Commission, applauding their efforts to support small business within the city of San Francisco. He mentioned his own experience with the Alcoholic Beverage Commission and advised the Commissioners that the nighttime industries mentioned during the commissioner reports were not only about enforcing the law; they were also about respecting the wishes of the community and district. Consequently, he suggested the Commissioners see if the city supervisors could negotiate with the various relevant districts.

Item 17 – New Business

Commissioner Ventura said that he had been receiving phone calls from the Mission Merchants' Association regarding the Planning Commission's approval in August 2008 of an 85 feet height limit in the Mission transit corridor area. He requested that Commissioners get involved to help support the Merchants Association. There was a public meeting schedule to take place at the Women's Building the next day at 5:30pm.

Commissioner O'Connor brought up frustration with dilapidated theaters in the Mission area that he suggested might be better served to re-open, and possibly with the help of city funds.

Commissioner Dooley said he had been approached by a medical group, Current Health, who would like the Commission to hear their approach to healthcare and proposed that the group be scheduled to present in June.

Martha Yanez

Match Bridge which work to support jobs for youth had expressed interest in working with the business community in San Francisco. They were to be sending some information to the SBAC and may be interested in speaking to the Commission at some point in the new future.

Item 18 – Adjournment

Motion: Commissioner Ventura moved to adjourn.

Second: Commissioner Clyde

Ayes: Commissioners Chiu, Clyde, Dooley, Murad, O'Conner, Riley, and Ventura.

**SMALL BUSINESS COMMISSION
NOTICE OF MEETING AGENDA**

Monday, May 11, 2009

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

GOVERNMENT
DOCUMENTS DEPT

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1. **Call to order and roll call:**
2. **Small Business Commission Small Business Certificate of Recognition.** Certificate Recipient: Farmerbrown Restaurant.
3. **Approval of the February 9, 2009 meeting minutes:** Explanatory Documents: Draft, February 9, 2009 minutes. (Action Item).
4. **Approval of the February 21, 2009 meeting minutes:** Explanatory Documents: Draft, February 21, 2009 minutes. (Action Item).
5. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
6. **Discussion and possible action to make recommendations to the Board of Supervisors on File No. 090229 [Temporary Benefit Payment to Encourage Investment]** Ordinance amending the San Francisco Administrative Code by adding Section ____ to provide a two year benefit payment for persons who purchase taxable business property in San Francisco in calendar year 2009. Presentation by Jennifer Matz, Office of Economic and Workforce Development (Discussion and possible action item) Explanatory Documents: File No. 090229
7. **Presentation and discussion on Small Business Week.** Presentation on the activities for Small Business Week. Presentation by Adam Straus, Straus Events. (Discussion)
8. **Presentation and discussion from the Small Property Owners of San Francisco.** Presentation to introduce the business organization to the Small Business. Presentation by Noni Richen, President of the Small Business Commission. (Discussion Item)

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SMALL BUSINESS COMMISSIONERS
DARLENE CHIU
JANET CLYDE
KATHLEEN DOOLEY
GUS MURAD
MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

9. **President's Report:** Allows the President to report on recent small business activities and any recent small business activities and announcements (Discussion item)
10. **Vice-President's Report:** Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
11. **Budget and Economic Development Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
12. **Legislative and Policy Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
13. **Outreach Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
14. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
15. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center; and make announcements regarding small business activities. (Discussion Item).
16. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
17. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
18. **Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzzi at (415) 554-6481 to make arrangements for pick up or review.

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May 11, 2009

CITY AND COUNTY OF SAN FRANCISCO
SMALL BUSINESS COMMISSION
MEETING MINUTES

GOVERNMENT
DOCUMENTS DEPT**Monday, May 11, 2009, 5:30 P.M.**

AUG 14 2009

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

SAN FRANCISCO
PUBLIC LIBRARY**Small Business Commissioners:**

Members in Attendance: Darlene Chiu, Janet Clyde, Kathleen Dooley,
Michael O'Conner, Irene Yee Riley

Members Absent: Gus Murad, Richard Ventura

Acting Director: Regina Dick-Endrizzi

Commission Secretary: Holly Lung

Item 1 – Call to order and roll call: The Small Business Commission (SBC) met on Monday, May 11, 2009. The meeting was called to order at 5:37 PM in regular session and quorum established.

Item 2 – Small Business Commission Small Business Certificate of Recognition: Certificate recipient Farmerbrown Restaurant. Representatives from Farmerbrown are not yet present.

Item 3 – Approval of the February 9, 2009 meeting minutes: No Action

Item 4 – Approval of February 21, 2009 meeting minutes: No Action

Item 5 – General Public Comment: Maxine Dugan voiced her opposition to the two massage ordinances that will be heard by the Small Business Commission on June 1, 2009. She said that the overregulation of the massage industry has negatively impacted massage workers and independent masseuses by creating unsafe working conditions; and overly strict regulations governing permits, location, hours of operation and penalties for massage establishments severely hampers a masseuse's ability to practice her trade and her right to equal protection of the law. As a result of these limitations, some masseuses are driven to avoid overregulated massage establishments altogether, simultaneously rendering them more vulnerable to violence, while reducing the likelihood that these illicit acts will be reported for fear that city administrators will further clamp down on the massage trade. Maxine said that Fiona Ma's 2006 legislation, which mandates that massage establishments be subject to public hearings and conditional use permits prior to license approval, has driven massage businesses to operate illegally. Maxine suggested there be an analysis to determine whether legislation regulating massage establishments is effective in reducing forced labor in the massage parlor industry.

Item 6 – Discussion and possible action to make recommendations to the Board of Supervisors on File No. 090229 [Temporary Benefit Payment to Encourage Investment]: Jennifer Matz, Office of Economic and Workforce Development (MOED), presented a proposed property tax benefit ordinance that would partially reimburse business owners for increases to unsecured personal property tax as a result of capital purchases that improve and expand their businesses. Jennifer explained that if a business were to make a capital purchase that would add to the owner's unsecured personal property tax in 2009 or 2010, the City would make a benefit payment equal to 50% of the increase in the form of a check. In effect, for a period of two years the City would not ask businesses to pay an extra cost for making capital purchases. After a period of two years, business owners would resume regular ongoing

tax payments on these depreciated purchases. Jennifer further noted that in order to qualify for the benefit payment, capital purchase must be made from San Francisco stores or vendors. In similar fashion, the MOED is exploring the possibility of expanding the ordinance to cover tenant improvements and offer a benefit payment equal to 50% of any increased property tax for a period of two years. According to Jennifer, the Office of Economic Analysis has determined that both the ordinance's cost and benefit to the City and business owner, respectively, would be minimal. Jennifer said that the mayor is very interested in moving forward with the unsecured personal property, tenant improvement, or both. Currently, MOED is working with the Assessor-Recorder's office to determine the administrative costs of this ordinance. Jennifer requested the support of the Small Business Commission.

Commissioner O'Connor inquired whether vehicles are included in the ordinance.

Commissioner Janet Clyde indicated that she is inclined to support the ordinance and that anything would help. She further noted that the ordinance reimburses business owners via check, but putting benefit payment of a capital purchase as a line item on an insecure and secure property tax bill may facilitate the cost of the program. This approach may potentially be much less expensive. She commented that the small business community, that is expanding or thriving, could benefit from this program.

Jennifer Matz responded that the ordinance does not include vehicle purchases. Jennifer comments that Commissioner Clyde's suggestion is interesting and could simply be like a credit against or a deduction.

Commissioner Riley stated that she thinks the ordinance is great because it helps owners.

Director Dick-Endrizzi recommended that the Commission take a first vote on the initial piece of legislation and later take another vote on its amended form.

Motion: Commissioner Janet Clyde moved to support File #090229

Second: Commissioner Kathleen Dooley – Seconded

Ayes: Commissioners Clyde, Riley, O'Connor and Dooley

Motion: Commissioner Janet Clyde moved to approve the tenant improvement amendment to File #090229 subject to the Mayor's approval

Second: Commissioner Kathleen Dooley – Seconded

Ayes: Commissioners Clyde, Riley, O'Connor and Dooley

Item 2 – Small Business Commission Small Business Certificate of Recognition: Certificate recipient Farmerbrown Restaurant. Commissioner Clyde expressed enthusiasm in nominating the first outstanding San Francisco small business to be awarded. She introduced Jay Foster and Deanna Sison, the owners of Farmerbrown Restaurant, and remarks that they are innovative and visionary restaurateurs who have been in food for many years. Jay has operated the Blue Jay Café and the Emmy's Spaghetti Shack. Deanna was a producer for a PBS cooking show before she and Jay collaborated to form Farmerbrown Restaurant.

Commissioner Clyde commended Farmerbrown and its owners Jay Foster and Deanna Sison, an innovative, creative and urban restaurant, erected in a difficult location that has become a part of the community. The restaurant has raised the bar in soul food by supporting local, sustainable, and organic foods whenever possible. Most importantly, Farmerbrown is not only thriving, but growing. On behalf of Mayor Gavin Newsom and the Small Business Commission, Commissioner Clyde presented the Certificate of Recognition to Jay Foster and Deanna Sison for their outstanding small business achievement with Farmerbrown Restaurant. She praised the restaurant for its creative vision, great food, live music, and diverse staff.

Jay Foster stated that he is honored to be recognized by the Commission for Farmerbrown and is pleased to know that the community is not only aware of the restaurant itself but also the struggle to bring it to fruition. He thanked the Commission and notes that he loves what he is doing and intends to continue.

Deanna Sison thanked the Commission and notes how satisfying it is to know that the community recognizes and appreciates Farmerbrown. She pointed out that today is the first soft opening of Farmerbrown's Little Skillet and recommended that the Commission make a visit.

Commissioner Clyde asked whether Jay and Deanna have taken advantage of any assistance from City programs, such as hiring credits. She also asked about the number of employees Farmerbrown employs and what percentage of employees are San Francisco residents. Commissioner Clyde mentioned that in a previous meeting with Jay and Deanna, they mentioned working with Urban Solutions.

Deanna Sison responded that Little Skillet is located on 330 Rich Street. In response to Commissioner

Clyde's inquiries, Deanna answered that they have taken advantage of hiring credits and hire roughly 30 employees, 90% or more of whom are San Francisco residents. Deanna noted she and Jay are currently working with Urban Solutions to obtain financing for expansion and that the organization has proved helpful in the past.

Item 7 – Presentation and discussion on Small Business Week. Adam Straus, Program Consultant, Small Business Week, presented an update on Small Business Week, a promotional event that has attracted an outpouring of community interest and support. Adam Straus explained that Small Business Week endeavors to inspire thriving small businesses to empower, connect and share with one another, and to recognize their collective impact in San Francisco. He thanked Commission for its involvement. Adam Straus described the organization of Small Business Week's host committee; the organization is co-chaired by Richard Ventura (SBC) and Mosley Malloy (SF Chamber), but also features members from the Office of Small Business, Small Business Network, and district merchants associations. The organization further receives support from a host of volunteers SF Entrepreneur, Diablo Communications, Troy Fields Design, and Adam Straus himself.

Adam Straus noted that the event has benefitted from generous donors including Wells Fargo and small startup organizations as well as money carried over from the previous year.

Adam Straus highlighted upcoming events. Small Business Week will kickoff on Saturday with sidewalk sales in 19 neighborhoods in San Francisco. A strong outreach effort, consisting of posters, programs and email blasts strive to bring people together. On Monday, Flavors of San Francisco will honor awardees from the US Small Business Administration, TGU, USF, and the Gellar Family Foundation and feature President of the Board of Supervisors David Chiu as a guest speaker.

Adam Straus explained that, this year, attendees will be required to register in advance. An elaborate paper and Web-based marketing strategy coupled with attendee pre-registration will enable restaurateurs and event organizers to collect valuable data such as who is expected to arrive, how they found out about Small Business Week, and what tastings and workshops attendees have visited.

Commissioner Riley commended Adam Straus for organizing Small Business Week in such a short time frame. She asked whether the Commissioners will have to register.

Commissioner Dooley thanked Adam Straus for his work and expresses her wish for a good turnout.

Commissioner O'Connor asked how the Commission can attract and invite more small businesses to participate in the event and register in advance. Commissioner O'Connor further asks how the pre-registration process has progressed so far.

Director Dick-Endrizzi noted that Edith Yueng' company, SF Entrepreneur, is highly proficient at social networking and will be leading the Web-outreach effort. She further noted that this will be the first year that Small Business Week will benefit from printed promotional materials that have been distributed to merchants. These pamphlets will also be available at the NABO procurement meeting and the Small Business Network Gala.

Adam Straus, in response to Commissioner O'Connor's inquiries, responded that community outreach is taking place on multiple fronts: regular communications, through the website, and via email. Adam Straus updated the Commissioners on registration progress, which currently sits at 500 registrants for Flavors of San Francisco.

Item 8 – Presentation and discussion from the Small Property Owners of San Francisco.

Noni Richen, President, Small Property Owners of San Francisco Institute introduced herself and her associate **Ted Lowenberg**. Noni Richen described the makeup of the organization; it represents approximately 2,000 voters who share a 4-6 unit building with their tenants. Ted Lowenberg discussed the findings of a 2002 San Francisco housing study that concludes that rent-controlled apartments are not family friendly and thereby fail to serve their intended clients. Ted Lowenberg then drew parallels between retail and service-providing businesses and housing lenders. He argued that no other form of small business suffers from the high degree of regulation or lack of freedom to choose customers, name prices, and alter terms and conditions. Noni Richen clarified that if a property lender needs to conduct significant renovations, they must recompense a tenant \$4,500 for the inconvenience of moving out and later accept the returning tenant, who pays virtually the same rent. Ted Lowenberg concluded by stating that San Francisco's rental tax causes two undesirable results: tenants who are reluctant to leave and property owners who are reluctant to lease.

Commissioner Riley thanked the presenters.

Commissioner Clyde commented that housing cannot so easily be equated with goods and services in the same way. She explains that historically, rent control was created in response to a time when large property developers built hundreds of units of affordable housing for seniors and when the 30-year term expired, seniors were subject to tripling and quadrupling increases to rent. Commissioner Clyde stated that rent control is a big discussion and be outside the purview of the commission. She noted that San Francisco is moving in the direction of creating more housing that features multi-tiered levels of affordability.

Noni Richen stated that the presentation was intended to explain the market realities that property lenders face and why a housing shortage exists in San Francisco.

Ted Lowenberg described rent control as a self-perpetuating problem that worsens with every attempt at reform.

Item 9 – President's Report: No Report

Item 10 – Vice-President's Report

Commissioner Riley reported on an April 21 press conference hosted by Supervisor Carmen Chu and the Small Business Commission that introduced the small business revolving loan fund program. Commissioner Riley and Director Dick-Endrizzi were in attendance as well as TMC Working Solutions Director Emily Gasner.

Commissioner Darlene Chiu arrives.

Item 12 – Legislative and Policy Committee Report:

Director Dick-Endrizzi reported that the Legislative and Policy Committee met at the end of April. She further noted that the Department of Environment attended the meeting, gave a presentation on its green business program and expressed interest in forming a joint partnership with the Small Business Commission. Director Dick-Endrizzi reported that the Department of Environment is developing classifications for their certification program and is interested in certifying more businesses. A concern the Legislative and Policy Committee raised during the meeting was the possibility that a business does not fall neatly into a category; what to do with these businesses is a question that needs to be considered as the program is expanded.

Commissioner Clyde requested a list of certifications that are available through the San Francisco Green Business Program and suggested that the Department of Environment meet with interested parties who are trying to get their businesses certified so they may take part in developing the criteria for certification.

Item 11 – Budget and Economic Development Committee Report:

Commissioner Chiu reported that the committee has sent letters to the members of the Board of Supervisors requesting that they involve the Small Business Commission in their district meetings, their meetings with merchant associations in particular and help inform their constituents that the Small Business Assistance Center is available. Commissioner Chiu further reported that the committee has received a response from Supervisors Chu and Chiu and that Supervisor Maxwell is communicating with her constituents.

She also reported that the committee has been working closely with the City Controller's office in an attempt to more accurately gauge the impact of the Small Business Commission's efforts. The committee has also been actively pushing to set up a CPA outreach workshop so that the small business community will know more about the tax incentive programs that are available. Commissioner Chiu stated that the committee has decided to focus on revitalizing commercial corridors and intends to begin with Chinatown. She reports that Director Dick-Endrizzi is reaching out to the San Francisco Visitors Bureau.

Item 13 – Outreach Committee Report:

Director Dick-Endrizzi reported that she presented on the issue of A.D.A. compliance during a town hall meeting in Supervisor Mar's district. The presentation was well received because business owners have recently been targeted by drive-by lawsuits and sought information on preventative steps that may be taken. Director Dick-Endrizzi further stated that the committee is almost ready to distribute information packets that inform businesses of their A.D.A. obligations as well as remedies should they be targeted by drive-by lawsuits. The committee is also working on a citywide vacancy survey that targets long-term commercial vacancies; letters will be sent out to San Francisco merchant groups asking each to identify one or two vacancies in their corridor that they would like the committee to focus on.

Item 14 – Commissioner Reports:

Commissioner Clyde reported on the San Francisco Chamber of Commerce inaugural tour to China. Commissioner Clyde found the trip to be extremely informative about the opportunities in China for small

businesses. She observed that there a strong cross-Pacific relationship holds promise for small business opportunities and warrants an in-depth discussion. Commissioner Clyde further reported that she has been closely monitoring how changing the policies of Visa, MasterCard, Wells Fargo and Bank of America negatively impact the small business community via increasing costs.

Commissioner Dooley reported that both she and Commissioner Clyde have been invited to attend a May 27 meeting, headed by Supervisor David Chiu, regarding the Broadway nightclub corridor. She stated that Supervisor David Chiu intends to put a group together to help administrate funds that would go towards providing additional security in the corridor.

Item 15 – Director's Report

Director Dick-Endrizzi reported that the Small Business Assistance Center has served 2,130 clients since its opening last year. She further reported that the finalized programs for the Shop Local campaign are available and will soon be distributed citywide. Director Dick-Endrizzi noted that she has scheduled a meeting with Holly Lung to discuss the online restaurant tool and asks that commission members test it and provide feedback. She reported that the Human Rights Commission has presented their numbers on L.B.E. participation in city contracting. According to the summary, 55% of their contracting goes to San Francisco businesses. Director Dick-Endrizzi stated that the next Shop Local campaign should be aimed at city departments. She also reported that she had a meeting with director of the Planning Department and that the Planning Commission is examining the current N.C.D. policies.

Commissioner O'Connor exits.

Item 16 – General Public Comment: None

Item 17 – New Business:

Commissioner Clyde formally invited Jenny Fang from China S.F. to speak before the Small Business Commission.

Item 18 - Adjournment: 7:04 PM

Motion: Move to adjourn Commissioner Dooley

Second: Commissioner Chiu

Ayes: Commissioners Chiu, Clyde, Riley and Dooley

SMALL BUSINESS COMMISSION NOTICE OF MEETING AGENDA

Monday, June 08, 2009
5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

1. **Call to order and roll call:**

2. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

3. **Consent Calendar: Action Item**

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing.

- a. **Possible action to make recommendations to the Board of Supervisors on File No. 090402 [Zoning - New Controls for Massage Establishments.]** Ordinance amending Planning Code Sections 790.60, 890.60 and 218.1 to restrict permitted accessory massage uses and to make all other massage establishments, except chair massage in plain view of the public, subject to a conditional use permit; amending Planning Code Section 303 to list additional criteria for the Planning Commission to consider when analyzing conditional use applications for massage establishments; amending the tables at Sections 218.1, 714.1, 715.1, 810.1, 811.1, and 812.1, to change massage establishments from a permitted use to a conditional use in the PDR 1, or Light Industrial Buffer, and PDR 2, or Production, Distribution, and Repair Districts, and in the Broadway Neighborhood Commercial District, the Castro Neighborhood Commercial District, and the Chinatown Mixed Use Districts; adopting findings, including environmental findings and findings of consistency with the priority policies of Planning Code Section 101.1 and the General Plan.

06-08-09 10:10 AM

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SMALL BUSINESS COMMISSIONERS
DARLENE CHIU
JANET CLYDE
KATHLEEN DOOLEY
GUS MURAD
MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

- b. **Possible action to make recommendations to the Board of Supervisors on File No. 090403 [Penalties for violation of Massage Practitioner Licensing and Regulation Ordinance.]** Ordinance amending Health Code Sections 1918 and 1928 to change the hours of permitted operation for massage establishments and to revise the penalties for violating Health Code Sections 1900 et seq., adding Health Code Section 1928.1 to provide for payment of the costs of administrative and other proceedings, and adding Health Code Section 1928.2 to provide for criminal penalties.
 - c. **Possible action to make recommendations to the Board of Supervisors on File No. 090321 [Massage Services in South of Market Residential/Service Mixed Use District]** Ordinance amending the Planning Code by amending Section 803.4, Section 815, and Table 815 to allow a business operating as a full-service spa to provide massage services with a conditional use authorization; adopting findings, including environmental findings, Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1.
 - d. **Possible action to make recommendations to the Board of Supervisors on File No. 090327 [First Source Hiring Program]** Ordinance amending section 83.4 of the San Francisco Administrative Code by expanding the definitions of "economically disadvantaged individual" and "entry level position."
4. **Presentation, discussion and possible action on Small Business Week 2009.** Report on the activities and results for Small Business Week. Presentation by Adam Straus, Straus Events. (Discussion and possible action item)
 5. **Discussion and possible action on presentation of how small business can own their commercial space through TIC/ Condo ownership.** Presentation by Black Mattow, Associate Telegraph Hill Properties. (Discussion and possible action item)
 6. **Discussion and possible action to make recommendations to the Board of Supervisors on File #080438 [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]:** Ordinance updating findings based on recent studies: amending San Francisco Health Code Sections 1009.20, 1009.21, 1009.22, 1009.23, 1009.25 and 1009.81, and adding sections 1009.26, 1009.27, 1009.28 and 1009.29, and making conforming changes in the Police Code by repealing Sections 53, 53.1, and 1098 and in the Health Code by repealing Section 1009.24. Discuss and possible action on the status of the recommendations the Small Business Commission submitted to Supervisor Daly's Office, June 2008. (Discussion/Possible Action Item). Explanatory Documents: BOS File No. 080438
 7. **President's Report:** Allows the President to report on recent small business activities and any recent small business activities and announcements (Discussion item)
 8. **Vice-President's Report:** Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
 9. **Budget and Economic Development Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)

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- 10. Legislative and Policy Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 11. Outreach Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 12. Permitting Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 13. Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
- 14. Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center, and make announcements regarding small business activities. (Discussion Item).
- 15. General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
- 16. New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
- 17. Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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June 8, 2009

CITY AND COUNTY OF SAN FRANCISCO SMALL BUSINESS COMMISSION

MEETING MINUTES

Monday, June 8, 2009, 5:30 P.M.

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Small Business Commissioners:

Members in Attendance: Darlene Chiu, Janet Clyde, Kathleen Dooley, Michael O'Conner,
Gus Murad, Irene Yee Riley, Richard Ventura

Executive Director: Regina Dick-Endrizzi

Commission Secretary: Martha Yanez

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Item 1 – Call to order and roll call: The Small Business Commission (SBC) met on Monday, June 08, 2009. The Meeting was called to order at 5:31 pm in regular session and quorum established.

Item 2 – General Public Comment: None

Item 3 – Consent Calendar

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing.

Motion: Commissioner Clyde made a motion to pull items A and B from the consent calendar.

Second: Commissioner Dooley – seconded

Ayes: Commissioners Ventura, Clyde, Dooley, O'Conner

Consent Items:

c. Recommendations to the Board of Supervisors on File No. 090321 [Massage Services in South of Market Residential/Service Mixed Use District]

Public Comment: None

ACTION: Approved

AYES: Clyde, Dooley, O'Conner, Ventura

d. Recommendations to the Board of Supervisors on File No. 090327 [First Source Hiring Program]

Public Comment: None

ACTION: Approved

AYES: Clyde, Dooley, O'Conner, Ventura

Discussion of A: File No. 090402 [Zoning - New Controls for Massage Establishments.]

Commissioner Clyde noted that Supervisor Carmen Chiu is primary sponsor, and the Mayor and Supervisor David Chiu are co-sponsors of the legislation. She said it was designed to close zoning

loopholes around massage establishments that have been exploited by sex workers in violation of the city code, eventually resulting in negative impacts on the surrounding community. She said people who operate legitimate massage establishments have been affected by people looking for adult services. The legislation would disallow massage establishments to be permitted so that they would have to go through conditional use procedures to operate and also grandfather when items could be relaxed into city law. She also said the legislation was carefully crafted to protect those who are engaged in sex trafficking from victimization and makes sure the enforcement is not misapplies. Commissioner Clyde stated that she recommended the legislation.

Commissioner Ventura added that the legislation would enable the Planning Commission to raise relevant questions to determine if the business is indeed operating legitimately.

Director, Dick-Endrizzi pointed out that the reason for pulling Item A from the consent calendar was because there had been an amendment to the legislation that had not yet been sent to the full commission. Commissioner Clyde noted the difference the amendment made was that it made the operator of the permit responsible for their operation, where before that had not been possible. Commissioner Ventura emphasized the committee was expecting the modification and that that modification does not change the committee's position.

Public Comment: None

Motion: Commissioner Clyde move to support File No. 090402

Second: Commissioner Dooley seconded

Ayes: Commissioners Clyde, Dooley, O'Conner, Murad, Yee Riley and Ventura

Discussion of B: File No. 090403, [Penalties for the Licenses for Massage Practitioner Ordinance.]

Commissioner Clyde explained that the legislation for Item B also pertained to massage parlor penalties. First, it changed legislation stating revocation hearings could not be held until three violations took place within 12 months to three violations within a 24 month period. Second, it reconciled police and health department violations, making police department issued violations serious violations as well. The idea of the legislation was to make it easier to shut down bad operators. Commissioner Murad clarified that both violations from the police department as well as the health department would count toward the three total violations to be allowed within the given time frame. He also expressed concern over whether owners would be penalized for an employee activity they were unaware of. Commissioner Clyde went on to say the legislation is expressly designed to put the responsibility for the operation of the business on the business owner or employer rather than the individual and not to victimize people who are working in the sex trade. Addressing Commissioner Murad's concerns, she went on to say that the three step violation process would make it so that the owner becomes aware of the problem in the first violation and can remedy the problem to prevent subsequent violations and revocation hearings.

Motion: Commissioner Clyde moved to support File No. 090403.

Second: Commissioner Riley seconded.

Ayes: Commissioners Clyde, Dooley, O'Conner, Murad, Yee Riley and Ventura

Item 4 - Presentation, discussion and possible action on Small Business Week 2009.

Adam Strauss said Small Business Week had succeeded in its efforts to educate, empower, and honor small businesses in the community. He thanked the Commission for its role in Small Business Week, pointing out President Ventura's role in leading the fundraising efforts in a difficult economic year, coordinating a fiscal sponsor, helping to plan and execute the Green Business Conference, serving as a spokesperson to the media, and an advisor. He also expressly thanked Director Dick-Endrizzi for coordinating all the sidewalk sales with the Council of District Merchants' Associations (CDMA), ensuring fee waivers from City Hall for Flavors of San Francisco and fielding countless phone calls and e-mails. He made mention of a \$12,500 fee waiver from the city's rental department for Flavors of San Francisco, a \$16,325 fee waiver for the sidewalk sales, and \$2,000 city sponsorship for later costs incurred. Small Business Week spent \$78,466.79 out of their \$78,787, leaving a balance of \$14,613. Changes were made from last year's budget to trade in some event costs for additional marketing and promotional materials. Overall, Small Business Week touched nearly 3,000 people, while having 996 actually attend one of the 19 workshop, 800 attend the Flavor of San Francisco, and 1,200 attend the Chamber of Commerce Expo. 88% of those attendees surveyed said Small Business Week was good, very good, or excellent, with 60% opting for the latter two. He also noted that while Flavors is a rather established event in the community, and so

greater focus has been on letting people know about the workshops.

Mr. Strauss then asked for feedback from the Commission's experience as a host organization.

Commissioner Murad said Small Business Week had done great and asked if there was any room for it to grow even larger, offering continued involvement of the Small Business Commission. Mr. Strauss responded affirmatively, noting that there has been dialogue about expansion but that that would necessitate moving around funding or obtaining additional funds.

Commissioner Clyde commended the efforts of Small Business Week to bring in and highlight the outlying neighborhoods of San Francisco, hoping that they are now motivated to come to the Office of Small Business.

Commissioner Riley inquired about the merchants' response to the sidewalk sale and also suggested looking into other options to alleviate the stretch of staffing business as well as the sidewalk sales. She added that the Small Business Assistance Center (SBAC) had generated a good deal of interest at the event. Mr. Strauss noted that this had been a difficult financial year for everyone to participate because of the cost of hiring extra staff and that Director Dick-Endrizzi and the President of the CDMA be meeting with leaders of local merchants to discuss the past year and assess whether sidewalk sales make sense in the future and how to support them. Overall though, he said the CDMA was appreciative.

Commissioner Dooley offered that the Small Business Week had been conducted at a time when it was especially helpful to disseminate information to business owners about the options available to them and that should continue throughout the year. She asked whether there had been a decrease in availability of food since the last year. Mr. Strauss responded that while he did not know exactly, the availability of food is a difficulty because restaurant owners donate their food and there is always a struggle to slow down the lines. The passports, even though they were not widely used, were given as a resource to control the lines as well as to give participants an opportunity to remember the places they had visited while reducing the number of people who were not serious about networking that attend. Commissioner Murad added that he is in favor of not having too much food at the event so that the foot traffic can generate business for shops in the area.

Mr. Strauss continued, noting he had had a debriefing with SBW sponsors as well as its executive committee. Looking to build on its current successes, he advocated reaching out to the merchant associations and helping to promote local shopping during the event, perhaps even bringing in other mediums such as entertainment and keynote speakers. The SBW personnel are currently in dialogue about a series of new ideas to enhance the event in 2010. One proposal is to bring all the workshops under one roof in a two or three day conference setting rather than spreading workshops out in different neighborhoods, since the latter has had less participation in the past. A centralized conference, he added, may also be beneficial to fundraising and networking efforts. He also noted that SBW personnel would like to have a greater fingerprint on workshop content to make sure the topics being presented are relevant to the San Francisco small business community. He noted that while the ideas are far from certain, they are all possibilities.

Commissioner Ventura talked about ways to possibly improve SBW. He concurred with Mr. Strauss' suggestion of bringing together various workshops under one roof, but also similarly noted the cost of putting on a centralized conference would require a budget increase of at least \$20,000 because of the heavy catering cost that is often incurred as part of renting a venue. He also pointed out that while 28% approval rating of Flavors of San Francisco was commendable, the effectiveness of the format of Flavors as well as Flavors itself might be in question of 72% of those surveyed did not find the event meaningful. He also questioned how better to help the merchant associations that were having difficulty participating in the sidewalk sales and whether there were alternative options to the sidewalk sale. Finally, he emphasized the importance of the input and various roles of the Commissioners.

With respect to SBW in 2010, Commissioner Ventura said planning for the 2010 event will begin after the SBW committee debriefs the sponsors and has a chance to put together a few different scenarios of how they envision the next event to take place. Despite differences in scenarios, he said, all the major pieces, at least conceptually, of SBW such as a kickoff party, an event involving the corridors, programs and recourses, the expo, and the mixers will be present. He said the Commissioners would be ready in two months for a meeting with the SBW committee, also noting that he would be termed out for the next SBW so the SBW committee would soon be in need of a new chair or co-chair. He closed by thanking Mr. Strauss for the presentation as well as his work in planning Small Business Week.

Item 5 -- Presentation of how small business can own their commercial space through TIC/

Condo ownership: Presentation by Blake Mattow, Associate - Telegraph Hill Properties. Mr. Mattow introduced himself as a TIC consultant, developer, and real estate agent. The focus of his business is doing conversion in San Francisco, primarily in the North Beach and Telegraph Hill areas, while engaging in business directed from both sellers and buyers of property. He explained the term commercial-tenancy-in-common as method of holding title of real property with multiple people while having the option maintaining exclusive rights to a specific area within the property. This allows business owners in multi-unit buildings to own their own section of that building, guarding against the possibility that a small business owner will lose his space because the landlord sells the property, encouraging business owners to make improvements on the building which directly impact their business serving as an alternative to rising rents in the absence of rent control as in the case of San Francisco, and discouraging vacancy. Meanwhile, building owners who sell off a portion of their building are able to realize cash returns and sometimes reduce liability. The city community is also benefitted by the decrease in vacancy and increase in incentive to improve commercial spaces.

Commissioner Ventura asked whether the commercial-tenancy-in-common option have been common transactions in the city. Mattow responded that his company has handled 4 or 5 in the past year, citing that many small business and property owners are simply not aware of the option. He does, however, see an increase in frequency of exercising the option as more people become aware of their options.

Commissioner Murad clarified that it is currently possibly to legally sell a commercial unit as a TIC and inquired what the Commission to help Mattow to do. Mattow responded that is primarily looking to raise awareness of business owners about the possibility of commercial TIC.

Commissioner Chiu asked about the financial feasibility and cost saving benefit of small business owners to purchase rather than rent. Mattow responded that the purchasing option does not apply to every small business owner but that those who do buy have the benefit of a general appreciation of their TIC property should they decide to re-sell the property.

Commissioner Clyde asked whether lenders are currently lending on TIC matters. She also expressed support for the idea of commercial TICs, saying they would help stabilize neighborhoods, family, and employment opportunities. Mattow responded affirmatively that lenders are lending on TICs but that policies are different for those involving commercial property. Currently, individuals are able to receive fractional loans which are loans taken on by each individual TIC co-tenant that corresponds only to his or her space. The title to the property is nonetheless held collectively. He also noted it is possible to have a condominium commercial space.

Commissioner Dooley asked if Mattow had any ideas about condominiums that would make conversion processes more efficient and whether he had run into stumbling blocks that might be better served to be streamlined. She added that likes the idea of recreating the merchant class of another time, allowing them a real stake in the community by allowing them to own their own property. She pointed to Macarini Design Studio in North Beach as a success story that Mattow had worked on. Mattow responded that with the help of the Commission he would like to determine if there is an option in existing law that would allow condo-izing of commercial space with the residential units attached as well, that could then be sold as any condominium would be. If this is not the case, he suggested perhaps proposing a revision to add such a clause to current legislation. Mattow also elaborated on the Marini success story, explaining it involved a 3rd generation jeweler and design business for whom renting retail space was no longer an option. Mattow's company organized a group purchase of the building and allowed the business to purchase their space within that building as a TIC.

President Ventura asked Director Dick-Endrizzi to present information on the legislation relevant to condominium conversion and TIC's with residential spaces at the next meeting to see if there was any way to support it. He asked Mattow if the realtor's associations had been doing anything regarding TIC and condo-izing commercial space. He explained that since the Commission would find it difficult to work with only one company, it could work the realtors association to put on seminars or make sure businesses are away of opportunities. He also said that if it was possible to set up a meeting with the realtors association, Director Dick-Endrizzi could get something scheduled.

Commissioner Riley noted that the information being discussed should be passed along to the NMI group to help them in dialogue with landlords.

Commissioner Dooley said the outreach committee was working on tracking vacancies in the city and that the TIC option might be one way of approaching property owners who have long-time vacant storefronts.

Mr. Mattow said that he would like to officially volunteer his services in any way he can help the

Commissioners deal with the relevant property issues.

Public Comment:

Mr. Norman Pearce introduced himself as part of the real estate industry, primarily serving businesses. He said he spends some time getting business owners to consider owning their own commercial space. He noted that in the south of Market area, there are numerous TIC programs implemented in the high rises that contain both TIC residential units in the upper portions of the building while keeping the lower units as commercial TIC units. Hence, the legal option Mattow had referred to (above) does exist. He noted most of the problems he has run into, is that many buildings are owned by family groups or trusts who do not know about the TIC option and would also like to help raise awareness about it.

Item 6 -- Recommendations to the Board of Supervisors on File #080438 [Prohibiting Smoking in Enclosed Areas, Certain Unenclosed Areas, and Sports Stadiums]:

Director Dick-Endrizzi informed the Commission that Supervisor Daly would be reintroducing his legislation soon to prevent it from timing out, noting that it included an added transition period for restaurants as well as an option of exemption for tobacco shops in certain instances. First, she went over amendments in the definitions of terms used in the legislation (which the Commissioners were given packets of). She noted the term commercial building now meant a building containing only business establishments; mixed use building now meant a building with commercial and residential units; and residential building now meant buildings that contain only dwellings or housing units but no business establishments. She went on to point out a specific definition to tobacco shops that identified a tobacco shop as any tobacco retailer whose for sale tobacco products or paraphernalia or both occupied 50% or more floor area with the display area devoted to tobacco products; any retailer for whom 70% or more of the gross sales receipts were derived from the sale of tobacco products, tobacco paraphernalia or both; or any retailer for whom 50% or more of completed sales transactions included tobacco products or paraphernalia. The legislation proposed that a tobacco shop, as defined above, could not be located within a restaurant, bar or tavern either as a room accessible from a restaurant, bar, or tavern or separate entrance. It also stated that tobacco shops located in commercial buildings as of December 31, 2007 would qualify for an exemption, where before that option had not been available. If exemption status was received, it would need to be re-applied for every year and would serve as a nontransferable status that would expire if there were to be a change of ownership or interest in ownership, or if the shop became no longer located in a commercial building.

Director Dick Endrizzi also pointed out the definition of restaurant as encompassing restaurants, coffee shops, and cafeterias. She called attention to the fact that the legislation had crossed out the word enclosed in order to include outdoor dining patios and sidewalk areas under the smoking restriction, essentially defining restaurant as the whole encompassing environment of the restaurant. The definition of enclosed had not changed. She also noted that the legislation maintained the rule prohibiting smoking within 20 feet of entrances.

Lastly, she said that the recommendations to the drafts of this legislation made by the Commission in the past that was taken into consideration was the possible removal of private enforcement from the penalties section. Commissioner Ventura added that many issues previously brought up by the Commission had not been addressed in the current legislation.

Commissioner Murad said he felt as though the legislation was an attack on small business. Commissioner Clyde noted that many small business owners were unaware of the legislation and would be hit hard if they were uninformed. She also said small business owners have their hands full already and cannot deal with further regulations of this type. Commissioners Ventura and O'Connor agreed. Commissioner Dooley also agreed, adding that she had discussed a previous draft of the legislation with the Northbeach Merchants Association and that they had expressed great anxiety over it.

Commissioner Rilely inquired whether it would be helpful to send the recommendations to the appropriate Supervisors again since it appeared as though they had not been looked at the first time. Director Dick Endrizzi expressed that the Supervisor's waiting to introduce the legislation again appeared to be a calculated choice to wait for the appointment of new Board members. She nonetheless said she was keeping in contact with other departments and entities to keep them on alert so that they could contact their Supervisors as well.

Commissioner Ventura added that he would like to ensure that the Small Business Commission's voice is heard by the new Board of Supervisors.

Motion: Commissioner Murad made a motion to the legislation and policy committee authorization to review what Director Dick-Endrizzi wrote to the Board of Supervisors

in response to the new legislation that would be introduce with relevance to File No. 080438.

Second: Commissioner Dooley Seconded.

Motion: Commissioner Murad made a motion to oppose File No. 080438 in the form presented before the Small Business Commission during that June 2009 monthly public meeting.

Second: Commissioner Clyde seconded.

Ayes: Commissioners Chiu, Clyde, Dooley, Murad, O'Connor, Yee Riley, and Ventura.

Item 7 – President's Report

Commissioner Ventura reported that the outreach committee had been working on criteria to honor small businesses and encouraged the Commissioners to think about small businesses they would like to nominate during the year. He also noted that federal law requires that all cities receiving federal stimulus money are required to spend 6.25% on contracts that are race neutral and 6.25% on contracts race conscious. He said that although the city has been compliant, he would like to look into gathering specific data to corroborate that. Further, he stated that he and Director Dick-Endrizzi had met with Commissioner Chiu to discuss the over 200 permit and license fees in place for small business owners and would like to look deeper into the necessity and effectiveness of those fees. Last, he noted that small business owners have expressed appreciation for the Commission's various committees and also suggested that the Commission celebrate the appointment of newly appointed Executive Director Dick-Endrizzi.

Item 8 – Vice-President's Report

Commissioner Riley congratulated Director Dick-Endrizzi on being the recipient of the Small Business Advocacy Award as well as her appointment as Director of the Small Business Commission. She went on to report that the outreach committee and met on May 28th, 2009 and the budget and economic committee and met on June 1, 2009. On June 5th, 2009 she and Director Endrizzi attended the Chinatown inter-agency team meeting where they discussed, among other things, the long vacant theater that is now being leased for 15 years by two young men. They also discussed planning for a small business owner mixer that would take place on July 16th at the Stars Theater. She said she would send out further information to the Commissioners as it became available and perhaps organize a tour of the theater as well. They had also discussed the challenges regarding open space grants and three relevant proposals that were on the table as well as Chinatown promotion activities such as the alleyway and streetlight decorations. No decision had been made at the meeting.

Item 9 – Budget and Economic Development Committee Report

Commissioner Chiu reported that the committee was in the midst of discussion about what types of reports they would request from the controller and tax collector's office. They had identified the amount of fees being collected but were finding it difficult to break down exactly how much the business community was paying out to the city. She said the committee was continuing to work on those issues. She went on to note to events the committee would focus on during the summer of 2009. The first was the Asian CPA Association outreach event to inform CPAs of the different tax incentives available to their clients. She also reiterated the small business mixer at the Chinatown Star Theater that was mentioned (above) by Commissioner Yee-Riley. She said a letter had been drafted and would be sent to a target list of small business owners who may be interested in Chinatown, particularly its vacancies, inviting them to attend. She lastly stated the committee would continue to follow up on requests that had been made to the Board of Supervisors and work with Chamber of Commerce to identify merchant groups to reach out to.

Item 10 – Legislative and Policy Committee Report

Commissioner Clyde reported the committee met on June 1, 2009. She said most legislation had already been brought up in the Commission meeting. The only item missing was legislation regarding after hours lighting for commercial spaces and requirements that censors be put in, ensuring the automatic turn off of lighting after business hours. She said, however, that the committee needed more information before they would be able to make a recommendation and that that legislation might appear before the Commission at the next meeting.

Item 11 – Outreach Committee Report

Commissioner Dooley reported that the outreach committee had heard Mr. Mattow, who spoke earlier about TIC conversions, prior to his presentation before the Commission and found it useful. She said she and Director Dick-Endrizzi had finalized the ADA compliance materials that would be sent out in the next few months and said she regarded the effort as successful. She also said she had spoken to Commissioner Riley about a set of criteria for the small business awards. Ideas for the criteria thus far included business contribution to the community and general growth of the city and use of an innovative product or service.

Other ideas for the awards included timing the awards with a special anniversary for a recipient business or coordinating the awards with months that highlight a specific ethnic or cultural identity in the city. Further, she reported that the committee had sent out a vacancy letter to all the merchants associations asking them to survey the vacancies in their corridors and point to long term vacancies of particular concern for their communities. The committee hoped to find ways to address those vacancies. Commissioner Ventura inquired about plans relating to recent and future press involving the Small Business Commission. Commissioner Dooley responded that there had been discussion about that a plan would be coordinated with one of the Supervisors. She said more information on that would be coming up soon.

Commissioner Riley added that Holly from the Small Business Assistance Center (SBAC) was currently promoting the SBAC as well as the city's revolving loan fund on a Cantonese radio station.

Item 12 – Permitting Committee Report

Commissioner Murad congratulated Director Dick-Endrizzi on her appointment as Director of the Commission. He said that he and Director Dick-Endrizzi had been working getting some appointments through for the past few months but had not made progress because of conflicting schedules. He said he hoped to report more positive news at the next meeting.

Item 13 – Commissioner Reports

Commissioner Dooley reported that she and Commissioner Clyde had attended recently formed Broadway corridor non-profit group. Commissioner Dooley was appointed vice-president of the group and said she will be able to help represent the Small Business Commission and the small business community generally. The group is dedicated to addressing problems in the Broadway corridor and making improvements in that area.

Commissioner O'Connor said he had attended the Sunday Streets event put on by the Mayor's Office and felt positively about it. He also attended the Divisadero Artwalk, reporting that it was a good venue to get residents and merchants together as participants in the community. He expressed interest in the Broadway non-profit group (mentioned above).

Commissioner Clyde congratulated Director Dick-Endrizzi on her appointment and thanked the small business community for pushing the Mayor's Office to make the appointment. She also said she had attended the Sunday Streets event and expressed thanks to the city departments for helping out. She said the event was an example of what can happen with a few fee waivers and urged the city to make collective neighborhood events happen in an affordable manner. Commissioner Clyde also reported that she had been contacted by the SF Examiner to comment on the Visa/Mastercard interchange fees and that her comments had been published. She said she was looking into regulations on those fees as well as data on how other jurisdictions are approaching similar regulations and had contacted the Chamber of Commerce and Small Business California for feedback on the issue. She wanted to find relief from the not transparent fee increases.

Item 14: Director's Report

Director Dick-Endrizzi reported since May 2008, the Small Business Assistance Center has served 2246 small business clients. She noted that some key issues that have come before the commission are, DPH has raised the Body Arts annual operating fee from \$109 to \$1372, and this fee was approved last June for the 08/09 budget, the next item is Pushcarts, which has many issues to work with Police, DPH, DPW, this is a result in the street food trend. Next she reported on the ShopLocal campaign and it's roll-out with bus shelters and bus tails were up, the Bay Guardian will soon deliver the bus car cards to MUNI, and the office is distributing window clings that say, Preserve this locally owned business, shop local SF. Next she reported that she met with the newly formed Lower-Haight merchant neighborhood organization and they are interested in the Commission's vacancy project. Director Dick-Endrizzi noted that the Departments will be submitting legislation for all budget and increase in fees for the 09/10 budget in the next couple of weeks. Lastly she reported on Supervisor David Chiu's first hearing on fee and permits with Fire and Police, and from the hearing Supervisor Chiu will work with Police to take a look at minimizing the fees.

Item 15: General Public Comment:

Walter: Sang his public comment No Business like Small Business.

Norman Pierce: He informed the Commission that he is working with Clients regarding pushcarts and has come to see that there inconsistencies in rules, regulations and fees.

Item 16: New Business: None

Item 17: Adjournment 7:30 pm.

Motion: Commissioner Dooley moved to adjourn.

Second: Commissioner Riley seconded.

Ayes: Commissioners Chiu, Clyde, Dooley, O'Conner, Murad, Yee Riley and Ventura

SMALL BUSINESS COMMISSION NOTICE OF MEETING AGENDA

Monday, July 13, 2009

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

SMALL BUSINESS COMMISSIONERS

Richard Ventura, President
Irene Yee Riley, Vice-President
Darlene Chiu Janet Clyde
Kathleen Dooley Gus Muard
Michael O'Conner

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1. **Call to order and roll call:**
2. **Small Business Commission Small Business Certificate of Recognition.** Certificate Recipient: Macchiarini Creative Design. Founded by Peter Macchiarini in 1948. Kathleen Dooley, Presenting Commissioner.
3. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
4. **Presentation, discussion and possible action to make recommendations to the Board of Supervisors on the proposed Safe Streets and Road Repair Bond.** The City and County of San Francisco is proposing a \$368 million *Safe Streets and Road Repair Bond* for the November 2009 ballot. The bond will enable repair and improvement of San Francisco roads, sidewalks, and street structures, including bridges and stairways. It will help modernize city streets through the design and construction of enhanced pedestrian, bicycle, and environmental features. The bond is recommended in the city-wide Ten-year Capital Plan and will provide a stable and reliable funding source for the next five years. Presentation by Ed Reskin, Executive Director, Department of Public Works (Discussion/Possible Action Item).
5. **Presentation and discussion regarding practices and tools of Yelp for small business.** Presentation by Luther Low of Yelp
6. **Discussion and possible action to make recommendations the Board of Supervisors on File # 090554: [Building Code" Registration of Vacant/Abandoned Buildings; Annual Fee and Penalties for Violation]** Ordinance amending the San Francisco Building Code by adding Section 103A.4 to require the owner of a vacant or abandoned building to register the building with the Department of Building Inspection, require the owner to maintain the grounds and the exterior and interior of the building in good condition, and provide that a property in violation of the

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DARLENE CHIU
JANET CLYDE
KATHLEEN DOOLEY
GUS MURAD
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RICHARD VENTURA

requirements is a public nuisance; and by amending Section 110, Table 1A-J to establish an annual registration fee; adopting environmental and other findings. (Discussion/Possible Action Item).

7. **Discussion and possible action to make recommendations the Board of Supervisors on File # 090184 [Declaring emergency under California Constitution Article XIII C, Section 2(b) authorizing submission to voters of ordinance imposing a local assessment on all vehicles in San Francisco that are subject to Department of Motor Vehicle registration]** Resolution declaring an emergency under California Constitution Article XIII C, Section 2(b) and authorizing submission of Ordinance that adopts and submits to the voters an ordinance amending the San Francisco Business and Tax Regulations Code to add Article 8 imposing a voter-approved local assessment on the privilege of a resident of the City and County to operate upon the public highways in the City and County a vehicle or trailer coach, the registrant of which is subject to tax under Part 5 (commencing with Section 10701) of the California Revenue and Taxation Code, at a rate not to exceed the difference between two percent of the market value of the vehicle or trailer coach and the rate imposed by the State of California pursuant to Section 10751 of the Revenue and Taxation Code, administered by the State Department of Motor Vehicles; acknowledging that state law has not yet been enacted authorizing the imposition of the assessment but approving imposition of such a charge at the specified rate when and if state law authorizes the City to impose it and directing its submission as a general tax measure for voter approval at the November 3, 2009 general municipal election. (Discussion/Possible Action Item)
8. **Discussion and possible action to make recommendations the Board of Supervisors on File # 090134 [0.50% Sales Tax Increase for Health and Human Services and Public Protection]** Ordinance amending the San Francisco Business and Tax Regulations Code to add Article 16-A to provide support for health and human services and public protection to residents of the City and County of San Francisco by imposing a transactions (sales) and use tax at the rate of one-half of one percent (0.50%) for a period of three (3) years, to be administered by the State Board of Equalization in accordance with Parts 1.6 and 1.7 of Division 2 of the California Revenue and Taxation Code; adopting an expenditure plan; and directing submission of the tax for voter approval at the November 3, 2009, election.
9. **Discussion and possible action to make recommendations the Board of Supervisors on File # 090794 [Submission of Parcel Tax to voters]** Motion ordering submitted to the voters an "Ordinance amending the Business and Tax Regulations Code of the City and County by: (1) adding Article 18, Parcel Tax, (2) amending Section 6.1-1 of Article 6, Common Administrative Provisions, to include appropriate cross-reference to new Article 18, and (3) amending the Administrative Code by adding Section 10.100-248 (Recreation and Parks Parcel Tax Fund)." at an election to be held on November 3, 2009.
10. **Review and discussion on current Citywide Application and Fee List and 09/10 budget changes.** (Discussion and possible action item)
11. **President's Report:** Allows the President to report on recent small business activities and any recent small business activities and announcements (Discussion item)

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- 12. Vice-President's Report:** Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
- 13. Budget and Economic Development Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 14. Legislative and Policy Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 15. Outreach Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 16. Permitting Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
- 17. Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
- 18. Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center, and update on legislation matters, and make announcements regarding small business activities. (Discussion Item).
- 19. General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
- 20. New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
- 21. Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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RICHARD VENTURA



July 13, 2009

CITY AND COUNTY OF SAN FRANCISCO SMALL BUSINESS COMMISSION

MEETING MINUTES

Monday, July 13, 2009, 5:30 P.M.

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Small Business Commissioners:

Members in Attendance: Darlene Chiu, Janet Clyde, Kathleen Dooley, Gus Murad, Michael O'Conner,
Richard Ventura Irene Yee Riley

Executive Director: Regina Dick-Endrizzi

Commission Secretary: Martha Yanez

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Item 1 - Call to order and roll call. The Small Business Commission (SBC) met on Monday, July 13, 2009. The meeting was called to order at 5:37 PM in regular session and quorum established.

Item 3 - General Public Comment:

Joe Kern commented that he currently has a wonderful business at a Santa Cruz farmer's market, but driving from Pacifica to Santa Cruz has become cost-prohibitive. He reports that since he decided to exclusively concentrate on doing business in San Francisco he has been subjected to numerous fines and is unable to obtain a peddler's permit even after paying the license fee.

President Ventura verified Joe Kern's contact information and stated that he will pass along the information to staff to help Mr. Kern resolve this issue.

Martha Yanez, Business Case Manager, Small Business Assistance Center, remarked that the SBAC has been working closely with Joe Kern and that the problem lies with the restrictive permitting process for the peddler's permit.

The business **VIV** explained that thier business model issues stickers that are shown to neighborhood businesses. When these participating businesses see an X number of stickers, VIV partners with them to set up a green action plan, consisting of actions that help minimize environmental impact and cut down on business costs. Any green improvements made by participating businesses are then broadcasted by VIV on Facebook, Twitter, and on VIV's website. Man requests a link to his company on the Office of Small Business website.

President Ventura stated that he will pass along information about VIV to staff and consider it for a future agenda item.

Item 4 - Recommendations to the Board of Supervisors on the proposed Safe Streets and Road Repair Bond.

Ed Reskin, Executive Director, Department of Public Works, explains that the purpose of the Safe Streets and Road Repair Bond is to invest in roadway repair, create a safe path of travel for all modes of transportation, provide an economic stimulus impact, and finally create a stable source of funding for the next five years to reverse the City's 20-year decline in road infrastructure investment. Mr. Reskin further noted that the bond would spur local job creation, create a general economic benefit to neighborhood businesses by improving the condition of San Francisco streets, and attract more consumers to neighborhood commercial corridors through streetscape improvements. Mr. Reskin concluded by noting that the bond includes several layers of oversight that ensures a certain level of visibility.

President Ventura thanked Mr. Reskin and congratulated the Department of Public Works for its attention to local business enterprises. Mr. Ventura asked if the bond is partially, or fully, funded by stimulus money. He further inquired about when the Department of Public Works would begin to advertise project opportunities. Mr. Ventura expressed his desire to work with the DPW and try to get more local small businesses engaged. He requested that the DPW provide an early list of requirements needed to qualify for a contract so that the Office of Small Business can work with CBOs and NEDOs to get ready for upcoming opportunities.

Commissioner Murad thanked Ed Reskin for the presentation and noted that he liked how the approval of the bond measure is being left up to San Francisco voters.

Motion: Commissioner Murad moved to support the proposed Safe Streets and Road Repair Bond

Second: Commissioner Clyde - Seconded

Ayes: Commissioners Chiu, Clyde, Dooley, Murad, and Ventura

Item 2 – Small Business Commission Small Business Certificate of Recognition.

Commissioner Dooley presented Macchiarini Creative Design with the Small Business Certificate of Recognition. She recounted that Macchiarini Creative Design has been a North Beach business for 60 years and thanked the business for its ongoing contribution to the San Francisco arts community. Commissioner Dooley notes that the family business exemplifies San Francisco's unique small business character.

Dan Macchiarini thanked the commission for its recognition. While Mr. Macchiarini acknowledged that large corporations provide many mass-produced goods and services to society, he also noted that the responsibility to carry on community culture and heritage fell squarely on the shoulders of small businesses. Mr. Macchiarini further stated that small businesses will continue to shape San Francisco's development; he indicated that small businesses in Visitacion Valley/Hunter's Point that develop green technologies are employing and improving the living standards of at-risk youth in those neighborhoods.

Item 5 – Presentation on practices and tools of Yelp for small business.

Luther Low, Manager of Local Business Outreach, Yelp, explained that Yelp is primarily utilized by users between the ages of 23 and 40, possess higher education backgrounds, and earn, on average, \$75,000 or more annually. He revealed that Yelp features over 6 million reviews – a third of which are restaurants, another third for retail, and the final third encompasses everything else. Mr. Low attributed Yelp's quick rise to providing consumers with the best information to connect them with businesses, not necessarily all the information. Luther Low acknowledged Yelp's obligation to protect users and business owners alike from illegitimate and unrepresentative reviews. Yelp is making a greater effort to ensure that reviewing a business is a two-way process by providing businesses with free tools to respond to customer reviews. Yelp makes money by primarily through local advertising that either lists a business as a sponsored result or grants a business a greater degree of control over what appears on its business page.

Commissioner Dooley asked what kind of recourse is available to an owner if a positive review from a long-time Yelp user is deleted from the business' page. She also asked whether a review violation could result in a purge of all of a user's past reviews and what can new users do to engage with the Yelp community.

Commissioner Murad asked how Yelp filters out damaging reviews from malicious users and wanted Yelp to implement a feature that tracks a business owner's good faith attempt to resolve an issue.

Commissioner Clyde thanked the Yelp representatives for their presentation and the company's willingness to accept small business feedback. She asked how a business can publicly respond to a published review.

President Ventura asked how long do reviews remain after they have been posted, whether Yelp pays writers to produce content, and how Yelp handles unscrupulous reviewers who seek to extort businesses.

Luther Low, in response to Commissioner Dooley's inquiries, replied that Yelp's algorithm is less likely to delete reviews from well-respected and well-established writers. A positive review that has been deleted in this instance is most likely due to the user-deletion or a violation of Yelp's Terms of Service. He further noted that the decision to purge all of a user's reviews is undertaken on a case-by-case basis. Mr. Low advised first-time Yelpers to find their friends, compliment other users and to get engaged in the community.

Luther Low further stated that Yelp has a filtering system that actively deletes reviews based on an

algorithm that is kept intentionally ambiguous to prevent unscrupulous users from cheating the system. Yelp also has an active community that self-polices.

Mr. Low explained that a business that wishes to respond to a user review may do so in a private exchange or provide feedback that all Yelp users can view. He further detailed that, currently, reviews remain on the site indefinitely unless deleted. He indicated that Yelp does allow certain employees in 25 of the largest cities in the US and UK to produce and promote reviews. He also responded that cases where users publish negative reviews solely to extort businesses are extremely rare and advised businesses who feel that they have been unfairly targeted to contact Yelp staff.

Luther Low clarified that business owners are allowed to review other businesses provided they abide by Yelp's terms of service.

Public Comment:

Dan Macchiarini asked how small businesses become a featured business on Yelp.

Stephen Cornell noted Yelp for the company's responsiveness to small business owners and stated that the agenda item was frivolous.

Luther Low, in response to Dan Macchiarini's inquiry, replied that the qualifying criteria for a business to be featured on Yelp is five trustworthy reviews and a four-star rating or higher.

Item 6 – Recommendations to the Board of Supervisors on File # 090554: [Building Code Registration of Vacant/Abandoned Buildings; Annual Fee and Penalties for Violation].

Director Dick-Endrizzi reported that for agenda items 6, 7, 8 and 9 presenting sponsors will not be available to speak. She stated that the item number six abandoned building legislation was heard in the land use committee and that it would be taken under consideration along with additional items at a rehearing in two weeks.

Commissioner Murad inquired how many vacant commercial buildings was the outreach committee able to identify and about the penalties for neglecting a piece of property. He commented that 18 months is too short a timeframe for the City to make the determination that a property owner is willfully neglecting his property and allowing it to decay. He noted that factors such as the economy, death in the family and legislative roadblocks could be the reason behind a long-term commercial vacancy.

President Ventura asked whether the outreach committee contacted the Mayor's Office of Neighborhood Services or the San Francisco Chamber of Commerce for its input. He also asked if the outreach committee could ask MONS and the SF Chamber to provide data regarding the areas surrounding vacant storefronts. Mr. Ventura further asked where the commission should set the baseline grace period before owners of vacant commercial buildings are required to register with the City.

Commissioner Clyde noted that the Board of Supervisors has been examining a blight ordinance and asked whether the commercial vacancy legislation was redundant. She recommended that a baseline grace period be established at a period of three years and that a personal hardship consideration be implemented into the legislation.

Commissioner Dooley stated that the abandoned building legislation was a good first tool to target longtime property owners who are not renting their properties and allowing them to decay. She noted that the outreach committee's aim was to include language that targeted commercial buildings in the legislation.

In response to Commissioner Murad's inquiry, she replied that the outreach committee has contacted neighborhood merchant groups and requested that they respond with a list of troublesome vacated properties. She also stated that although MONS and the SF Chamber have attended outreach committee meetings, she would like to have substantial data to present before she asks for their cooperation. Commissioner Dooley conceded that the blight ordinance before the Board of Supervisors would encompass the vacant building legislation, but stated that the latter would reiterate the former.

Director Dick-Endrizzi stated that the legislation could produce a possible benefit on the commercial side. After abandoned buildings have been registered with the City, the data may reveal certain trends in types of properties. She further noted that zoning may be an issue.

Public Comment:

Stephen Cornell asked how punitive fees for long-term commercial vacancies are determined. He also noted an apparent double standard between blighted public property and blighted private property and how the latter is unfairly targeted.

Item 7 – Recommendation to the Board of Supervisors on File #090136 [Measure adopting

and submitting to the voters an ordinance imposing a local assessment on all vehicles in San Francisco that are subject to Department of Motor Vehicle registration].

Director Dick-Endrizzi reported that based on the Controller's analysis, the progressive tax legislation would expand public sector employment, raise cost of living and produce a negative impact to businesses as consumers try to cut costs.

Commissioner Dooley stated that a higher vehicle registration fee would be preferable over a general sales tax increase, which hurts those who can least afford it.

President Ventura stated that raising the sales tax rate in San Francisco by another .05% would effectively drive consumers to shop outside the City for large purchases. He also stated that the commission needs to take the increasing cost of permits and licenses from City departments. He redid the calculation and discovered that fee increase would be minimal.

Commissioner Clyde stated that the vehicle license fee should have never been dropped at the state level. She also stated that she agreed with Commissioner Dooley in that a vehicle assessment fee would be a lesser evil. She noted that vehicles cause considerable wear to streets and that at \$200, the current fee is modest.

Public Comment:

Stephen Cornell states that every year every registered vehicle is charged regardless of where it was purchased. He also stated that any government agency would not be charged.

Motion: Commissioner Dooley moved to support File #090136 Measure adopting and submitting to the voters an ordinance imposing a local assessment on all vehicles in San Francisco that are subject to Department of Motor Vehicle registration]

Second: Commissioner Murad - Seconded

Ayes: Commissioners Chiu, Clyde, Ventura, Murad and Dooley

Item 8 – Discussion and possible action to make recommendations to the Board of Supervisors on File # 090134 [0.5% Sales Tax Increase for Health and Human Services and Public Protection].

Director Dick-Endrizzi stated that the Commission has previously reviewed this item when it was presented in February by Supervisor David Chiu. She further stated that this version differed from its earlier iteration in that money is allocated exclusively to Health and Human Services and Public Protection.

Commissioner Dooley and **President Ventura** stated that this piece of legislation is bad for small businesses by precluding big ticket purchases from local vendors.

Commissioner Clyde noted that the City has already seen significant reductions in private spending and directly resulting from rising costs, due in no small part to rising credit card interest rates and higher minimum payments.

Commissioner Murad asked how much tax revenue a half percent sales tax increase would raise for the City.

Director Dick-Endrizzi responded that estimated sales tax revenue would be \$51 million.

President Ventura stated that if the City is purchasing products and services from vendors outside San Francisco to cut costs, it would be unreasonable to expect consumers living in San Francisco to not follow suit.

Public Comment:

Stephen Cornell commented that **President Ventura** and **Commissioner Murad** were correct that the City should more closely scrutinize its expenditures while it seeks to reach a balanced budget. He further noted that the current budget is higher than the previous year, that many City employees have received a raise and that the City is facing declining tax revenues.

Motion: Commissioner Dooley moved to not recommend File #090134 [0.50% Sales Tax Increase for Health and Human Services and Public Protection]

Second: Commissioner Chiu - Seconded

Ayes: Commissioners Chiu, Clyde, Ventura, Murad and Dooley

Item 9 – Recommendations to the Board of Supervisors on File #090794 [Submission of Parcel Tax to voters]

Director Dick-Endrizzi stated that the proposed improved parcel tax for single-family residences would be \$175, \$150 per unit for multiple-family residences, \$5000 per parcel for commercial buildings, industrial property \$2000 and vacant land \$1000. She also reported that the estimated revenue from this tax would be \$61,843,250.

Commissioner Clyde clarified that the proposed tax is a flat, per parcel property tax to establish Recreation and Park's parcel tax fund. She also noted that small property owners will have to pay for this increase out of their pocket as strong residential rent control ordinances preclude charging tenants higher rent.

Commissioner Murad commented that small business owners would also be negatively impacted.

Public Comment: None

Motion: Commissioner Dooley moved to not recommend File #090794 [Submission of Parcel Tax to voters]

Second: Commissioner Chiu - Seconded

Ayes: Commissioners Chiu, Clyde, Ventura, Murad and Dooley

Director Dick-Endrizzi asked for any comments the Commission wishes to pass on to the Board of Supervisors regarding the package of legislation.

Commissioner Clyde noted the cumulative effect of these increases on the average San Francisco resident.

Commissioner Chiu stated that already families who can no longer afford to live in San Francisco are being driven out. There are younger couples who decide that they prefer and can only afford to live outside San Francisco. She asked, in this scenario, what will happen to San Francisco's core residential population if taxes continue to increase.

President Ventura noted that he has been on the Small Business Commission for 5.5 years and with every piece of legislation that has been brought forward he asked whether the legislation would remove any company's opportunity to compete with another business.

Item 10 – Citywide Application and Fee List and 09/10 budget changes.

Director Dick-Endrizzi reports that the Office of Small Business has been compiling a comprehensive list of fee increases for City departments for 2008-2009. She also informed the Commission that included in the Commissioner's packets is a document explaining procedural changes in the Planning Department.

Commissioner Murad noted that the highest and most frequent fees were levied on small and large restaurant owners. He stated that when the compiled data is finalized, he suspects to find that higher fees will correlate with a decrease in a number of businesses. He further mentioned that if fees continue to increase, business owners will begin to operate their businesses underground.

Stephen Cornell states that he gets multiple bills and that he sends six checks annually to various City departments. He called for greater efficiency and a consolidated process where business owners can send one check to the Tax Collector once yearly versus several times a year to multiple departments.

Item 19 – General Public Comment:

Stephen Cornell recommended the Commission to speak with the City Attorney to compel representatives from other City departments to attend Small Business Commission meetings. He further recommended that the Commission send tentative Commission Meeting agendas out via email one week prior to the meeting.

Item 11 – President's Report:

President Ventura thanked the Commissioners for their hard work. He asked for the chair or co-chairs of each committee to write a statement of purpose, a list of primary objectives and accomplishments, and submit it to the Director.

Item 12 – Vice-President's Report:

President Ventura noted that Commissioner Riley is on excused absence and is unavailable to give her report.

Item 13 – Budget and Economic Development Committee Report:

Commissioner Chiu reported on the CPA Workshop scheduled for July 28 at City Hall. The workshop will discuss local, state, federal enterprise zones. She noted that if the event is successful, Budget and Economic Development Committee may expand it to other districts. Commissioner Chiu requested that

the commissioners email any CPA's they may know and encourage them to attend. The Budget and Economic Development Committee would like to schedule a mixer in the Mission district and would be coordinating with President Ventura and Commissioner Murad.

Item 14 – Legislative and Policy Committee Report:

Commissioner Clyde reported that the Legislative and Policy Committee has been streamlining the process for recommending legislation to the full commission for review and recommending legislation to a consent agenda. The members of the committee agreed that if the committee heard the item, it had been fully vetted and changes to the legislation were minor, then the committee would recommend it for the consent agenda knowing that anything could be pulled out by any commissioner at the full Commission. Larger, more complex, pieces of legislation would still be recommended to the full Commission for review. Commissioner Clyde also expressed her concern about rising fees for street fairs and festivals.

President Ventura added that the goal of the meeting was to identify how the committee could best serve the Commission and which issues should the Commission respond versus engaging everything.

Item 15 – Outreach Committee Report

Commissioner Dooley reported that the citywide survey of commercial vacancies is ongoing and that the committee has received response from several neighborhood commercial groups. She further reported that PG&E is launching a neighborhood energy watch campaign and would like the Small Business Commission to be involved. The campaign aims to educate the public on how to reduce their energy consumption.

Commissioner Dooley noted that she has received a communiqué from SOS-Marina, a group of small business owners specializing in pet stores, groomer, and veterinarians, concerned by a incoming big box pet establishment that is applying for a permit to operate in their neighborhood. The group has requested an audience with the Commission and Commissioner Dooley asked that they be added as an agenda item for the following month.

Commissioner Dooley also reported that both she and Commissioner Clyde have been attending meetings hosted by the newly-formed Broadway Entertainment Cultural Association. She stated that the first move of business owners on Broadway was to hire unarmed security specializing in dispute settlement. The association also plans a Weeknight on Broadway with a low-key, easy-going environment featuring local restaurant and bars to convince people to visit the Broadway corridor.

President Ventura suggested that staff provide PG&E with local merchant contacts or community leaders who can assist the energy watch project.

Item 16 – Permitting Committee Report:

Commissioner Murad reports that the committee broke down the list of fee increases to departments that would most directly impact small business owners. The list included planning, building inspection, fire, police, health and public works. He further stated that the committee would like to have a joint-committee meeting with the planning and fire departments as a way to increase interdepartmental dialogue. Commissioner Murad highlighted the numerous hurdles associated with starting a small business and stated his belief that it is the responsibility of the City to help small business get off the ground. He also suggested that the permitting process be streamlined and consolidated under a single roof.

President Ventura echoed Commissioner Murad's comments about simplifying and consolidating the permit process. He further stated that such a system would likely result in greater accountability and efficiency.

Item 17 – Commissioner Report:

Commissioner Chiu noted that the Commercial Bank would like to co-host a workshop on small business loans and have asked the Commission to partner with them.

Commissioner Clyde recognized Scott Hauge from the Small Business Network for his work in advocating for a stay in workers comp rate increases. She also mentioned that the business owner who hosted the meeting on Broadway had just opened his business and she will be documenting his experiencing and using it as a reference point.

Director Dick-Endrizzi noted the changing dynamic of small businesses; traditional brick & mortar-based businesses are declining whereas Web-based businesses powered by social networking are quickly becoming the norm.

Item 18 – Director's Report:

Director Dick-Endrizzi reported that the Small Business Assistance Center is currently processing a

backlog of pre-Salesforce entries. She reported that the SBAC has had approximately 2,500 cases served since its opening. She also informed the Commission that the online restaurant tool is ready to be launched and asked commissioner's to test it. Director Dick-Endrizzi reported that she met with the director of the Department and Commission on the Status of Women and their interest is to increase the frequency in which the City does business with women-owned businesses. For Small Business Week, the Director met with the Council of District Merchants and it is working on the neighborhood commercial corridor portion of Small Business Week. She also reported that the Office of Small Business is finalizing its ADA handout. The Director lastly informed the Commission of upcoming events.

Item 20 – New Business: No Action

Item 21 – Adjournment:

Motion: Move to adjourn Commissioner Ventura

Second: Commissioner Riley

Ayes: Commissioners Chiu, Clyde, O'Conner, Riley and Ventura



August 10, 2009 (Regular)

**SMALL BUSINESS COMMISSION
NOTICE OF MEETING AGENDA**

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**Monday, August 10, 2009
5:30 P.M.**

AUG 14 2009

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SMALL BUSINESS COMMISSIONERS

Richard Ventura, President
Irene Yee Riley, Vice-President
Darlene Chiu Janet Clyde
Kathleen Dooley Gus Muard
Michael O'Conner

1. Call to order and roll call:

2. Approval of the February 9, 2009 meeting minutes: Explanatory Documents: Draft February 9, 2009 minutes. (Action Item).

3. Approval of the May 11, 2009 meeting minutes: Explanatory Documents: Draft May 11, 2009 minutes. (Action Item).

4. Small Business Commission Monthly Small Business Recognition. Kin Wo Construction, Inc. (Discussion Item).

5. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

6. Discussion and possible action to make recommendations the Board of Supervisors on File # 090889 (PDF): [Honoring Small Local Businesses during Small Business Month] Ordinance amending the San Francisco Administrative Code by requiring the Small Business Commission to declare one month out of the year "Small Business Month" and to recognize small local businesses during the Small Business Month. Presentation by Bill Barnes, Legislative Aide to Supervisor Alioto-Pier. (Discussion/Possible Action Item).

7. Discussion and possible action to make recommendations the Board of Supervisors on File #090889 (PDF): [Regulations For Mortgage Modification Consultants] Ordinance amending the San Francisco Police Code by adding Article 27 to regulate mortgage modification consultants by (1) requiring a written contract describing mortgage modification services to be provided prior to initiation of services, (2) requiring that any contract entered into for these services provide notice that the contract may be cancelled within fourteen calendar days and that services may be obtained free of charge from nonprofit sources, (3) prohibiting collection of fees until the consultant has obtained a written loan

modification offer for the homeowner, (4) providing for enforcement by criminal penalties and a private cause of action for homeowners, and making environmental findings. Shelia Chung Hagen, Legislative Aide to Supervisor Campos (Discussion/Possible Action Item)

8. Presentation and discussion on SF Energy Watch (PDF) and the SF Energy Watch Neighborhood Campaign. Presentation by Peter De Mare, Department of the Environment.

9. Presentation and possible action to support Chestnut Street Merchants regarding their efforts to maintain their businesses. The merchants along Chestnut Street and in the Marina district, primarily merchants of smaller, locally owned, independent pet stores and groomers and other merchants, are working to prevent their businesses from possible closure. Presentation by Pam Hable, Catnip and Bones, and Susan Landry, Animal Connect. (Discussion/Possible Action Item).

10. Review, discussion and possible action on the Planning Departments "Looking Back on Twenty Years of Neighborhood Commercial Zoning" NC@20 report. The NC@20 (PDF) report looks back at the previous two decades and examines the nature of the NC zoning controls, discusses outstanding issues, and recommends approaches to address those issues. The report provides a body of information which will help frame the continued evolution of NC zoning controls. The Commission will discuss and chart its plan for analysis, and recommendations on the report. (Discussion/Possible Action Item).

11. Discussion and possible action to make recommendations the Board of Supervisors on File # 090554: [Building Code] Registration of Vacant/Abandoned Buildings; Annual Fee and Penalties for Violation Ordinance amending the San Francisco Building Code by adding Section 103A.4 to require the owner of a vacant or abandoned building to register the building with the Department of Building Inspection, require the owner to maintain the grounds and the exterior and interior of the building in good condition, and provide that a property in violation of the requirements is a public nuisance; and by amending Section 110, Table 1A-J to establish an annual registration fee; adopting environmental and other findings. Commissioner Dooley to provide update. (Discussion/Possible Action Item).

12. President's Report: Allows the President to report on recent small business activities and any recent small business activities and announcements (Discussion item)

13. Vice-President's Report: Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).

14. Budget and Economic Development Committee Report: allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)

15. Legislative and Policy Committee Report: allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)

16. Outreach Committee Report: allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)

17. Commissioner Reports: Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).

18. Director's Report: Update and report on the Office of Small Business and the Small Business Assistance Center, and update on legislation matters, and make announcements regarding small business activities. (Discussion Item).

19. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)

20. New Business: Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).

21. Adjournment: (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that city operations are open for the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6083. To obtain a free copy of the Sunshine Ordinance contact:

Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4683
Office: (415) 554-7724
Fax: (415) 554-5163
E-Mail: sott@sfgov.org

Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org.

Cell Phone and/or Sound-Producing Electronic Device Usage at Hearings

Effective January 21, 2001, the Board of Supervisors amended the Sunshine Ordinance by adding the following provision: The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

Disability Access Policy

Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART Station is the Civic Center station located at the intersection of Market, Hyde and Grove Streets. Accessible MUNI lines serving the Veterans Building are 42 Downtown Loop and the #71 Haight/Noriega and the F line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services call 923-6142. Accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex. American Sign Language interpreters and/or a sound enhancement system will be available upon request by contacting Milton Edelin at 558-6410 at least 72 hours prior to a hearing. Individuals with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-8925 to discuss meeting accessibility. In order to assist the city's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the city to accommodate these individuals.

Translation Services

Interpreters for languages other than English are available on request. Sign language interpreters are also available on request. For other accommodation, please call the Department of Human Services staff support representative at 557-5989 at least two business days before a meeting.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by San Francisco Lobbyist Ordinance [Article II of the San Francisco Campaign and Governmental Conduct Code] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Ave., Suite 3900, SF 94102 (415) 581-2300, FAX (415) 581-2317 and web site address at <http://www.sfgov.org/ethics/>.

Chemical Sensitivity

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical base products. Please help the City accommodate these individuals.

SMALL BUSINESS COMMISSION NOTICE OF MEETING AGENDA

Monday, September 14, 2009

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

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SEP 14 2009

SMALL BUSINESS COMMISSIONERS

Richard Ventura, President
Irene Yee Riley, Vice-President
Darlene Chiu Janet Clyde
Kathleen Dooley Luke O'Brien
Michael O'Conner

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1. **Call to order and roll call:**
2. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
3. **Presentation and discussion regarding USF's revitalized Gellert Family Business Center.** Presentation to cover the services that USF offers to small businesses; (2) ask for the Commission's assistance in obtaining nominations for SBA's 2010 Jeffrey Butland Family Business of the Year and USF's 2010 Gellert Family Business of the Year awards, and (3) promote SBSC's/USF's collaboration on the Extreme Entrepreneurship event in November. Presentation by Monika Hudson, Gellert Family Business Center (Discussion Item)
4. **Presentation, discussion and possible action on the NC@20 report.** The NC@20 report looks back at the previous two decades and examines the nature of the NC zoning controls, discusses outstanding issues, and recommends approaches to address those issues. The report provides a body of information which will help frame the continued evolution of NC zoning controls. The Commission will discuss and chart its plan for analysis, and recommendations on the report. Presentation by Dan Sider, Planning Department (Discussion/Possible Action Item).
5. **Discussion and possible action to make recommendations the Board of Supervisors on File #091020 [Discretionary Review – Planning Department]** Ordinance amending the San Francisco Planning Code by amending Section 311 and 312 to provide that a request for discretionary review will be heard by the Planning Commission or its designee if the application demonstrates exceptional and ordinary circumstances as defined, to replace the term Residential Design Guidelines with the term Residential Design Standards, and to repeal the ability of a project sponsor to request discretionary review; amending Sections 352 and 355 to allow for collection and refund of fees associated with Planning Department Reconsideration; adopting environmental and Section 302 findings. Presentation by Elaine Forbes, Planning Department (Discussion and possible action item)

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SMALLBUSINESS COMMISSIONERS
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MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

REGINA DICK-ENDRIZZI, EXECUTIVE DIRECTOR

6. **Discussion and possible action to make recommendations the Board of Supervisors on File # 090960: [Honoring Small Local Businesses during Small Business Month]** Small Business Commission approved recommendation. Possible action on the Outreach Committee's proposed recommendation to the Board of Supervisors for small business recognition during Small Business Month. Presentation by Kathleen Dooley, SBC Outreach Chair. (Discussion/Possible Action Item).
7. **President's Report:** Allows the President to report on recent small business activities and any recent small business activities and announcements (Discussion item)
8. **Vice-President's Report:** Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
9. **Budget and Economic Development Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
10. **Legislative and Policy Committee Report:** allows the Chair to report on recent committee activities, recommendation to the Planning Department on File # File # 091030 [Planning – Formula retail uses – requiring appointment of community liaisons.], and make announcements (Discussion and possible action item)
11. **Permitting Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
12. **Outreach Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
13. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
14. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center, and update on legislation matters, and make announcements regarding small business activities. (Discussion Item).
15. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
16. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
17. **Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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REGINA DICK-ENDRIZZI, EXECUTIVE DIRECTOR

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RICHARD VENTURA

SMALL BUSINESS COMMISSION NOTICE OF MEETING AGENDA

Monday, October 5, 2009

5:30 P.M.

CITY HALL, ROOM 408

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

SMALL BUSINESS COMMISSIONERS

Richard Ventura, President

Irene Yee Riley, Vice-President

Darlene Chiu Janet Clyde

Kathleen Dooley Luke O'Brien

Michael O'Conner

1. Call to order and roll call:

2. Consent Calendar:

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing. (Action Item).

a. **Approval of the March 9, 2009 meeting minutes:** Explanatory Documents: Draft March 9, 2009 minutes.

b. **Approval of the April 13, 2009 meeting minutes:** Explanatory Documents: Draft April 13, 2009 minutes.

c. **Approval of the June 8, 2009 meeting minutes:** Explanatory Documents: Draft June 8, 2009 minutes.

d. **Approval of the July 13, 2009 meeting minutes:** Explanatory Documents: Draft July 13, 2009 minutes.

3. Small Business Commission Monthly Small Business Recognition. Maria Rosales, Rosales Law Partners, LLP, Former, Inc.

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RICHARD VENTURA

REGINA DICK-ENDRIZZI, EXECUTIVE DIRECTOR

4. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
5. **Discussion and possible action to make recommendations the Small Business Commission on File No. 091136** [Mandatory prequalification, training and safety certification requirements for public works projects] (Discussion and possible action item)
6. **President's Report:** Allows the President to report on recent small business activities and any recent small business activities and announcements (Discussion item)
7. **Vice-President's Report:** Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
8. **Budget and Economic Development Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
9. **Legislative and Policy Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
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11. **Outreach Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
12. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
13. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center, presentation on Jobs Now! Federal stimulus program, update on legislative matters, and make announcements regarding small business activities. (Discussion Item).
14. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
15. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
16. **Adjournment:** (Action Item)

Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed in this agenda are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call Regina Dick-Endrizzi at (415) 554-6481 to make arrangements for pick up or review.

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REGINA DICK-ENDRIZZI, EXECUTIVE DIRECTOR

SMALLBUSINESS COMMISSIONERS
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MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

SMALL BUSINESS COMMISSION NOTICE OF MEETING AGENDA

Monday, November 9, 2009

5:30 P.M.

CITY HALL, ROOM 408

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

SMALL BUSINESS COMMISSIONERS

Richard Ventura, President
Irene Yee Riley, Vice-President
Darlene Chiu Janet Clyde
Kathleen Dooley Luke O'Brien
Michael O'Conner

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1. Call to order and roll call:

2. Small Business Commission Monthly Small Business Recognition. Maria Rosales, Rosales Law Partners, LLP, Former, Inc.

3. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

4. Discussion and possible action to make recommendations the Small Business Commission on File No. 091208. [24th Street - Noe Valley Neighborhood Commercial District - Conditional Use for New Full-Service and Small Self-Service Restaurants.] Ordinance amending the San Francisco Planning Code by amending Section 728.1 and Sections 728.42, 728.44 and 728.69A of the Zoning Control Table to allow new fullservice restaurants, small self-service restaurants, and self-service specialty food establishments with conditional use authorization and removing the Specific Provisions for full-service restaurants: adopting findings, including environmental findings, Section 301 findings, and findings of consistency with the General Plan and the Priority Policies of Section 101.1. Presentation by SBC Legislation and Policy Committee. (Discussion and possible action item) Explanatory Documents: File No 091208

5. Discussion and possible action to make recommendations the Small Business Commission on File No. 091113 [Seismic strengthening of soft-story, wood-frame buildings.] Ordinance finding a compelling public policy basis for expediting the processing and review of permits for voluntary seismic retrofit upgrades of soft-story, wood-frame buildings and amending the Planning Code, Building Code, Fire Code, and Public Works Code to waive permit processing fees for the proportionate share of work related to such seismic retrofit upgrades; making environmental findings and findings of consistency with the City's General Plan and Planning Code Section 101.1. Presentation by SBC Legislation and Policy Committee. (Discussion and possible action item) Explanatory Documents: File No 091113

SMALL BUSINESS COMMISSION
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REGINA DICK-ENDRIZZI, EXECUTIVE DIRECTOR

SMALLBUSINESS COMMISSIONERS
DARLENE CHIU
JANET CLYDE
KATHLEEN DOOLEY
LUKE O'BRIEN
MICHAEL O'CONNOR
IRENE YEE RILEY
RICHARD VENTURA

6. **Presentation, discussion and possible action on Extended Hours for Parking Meters.** San Francisco Transportation Agency has done a study on the needs and benefits for extending hours for parking meters in selected areas of the City. Presentation of study by Sonali Bose of the SFMTA (Discussion and possible action item) Explanatory Documents: Extended Meter Hours Study
7. **President's Report:** Allows the President to report on recent small business activities and any recent small business activities and announcements (Discussion item)
8. **Vice-President's Report:** Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
9. **Budget and Economic Development Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
10. **Legislative and Policy Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
11. **Permitting Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
12. **Outreach Committee Report:** allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)
13. **Commissioner Reports:** Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item).
14. **Director's Report:** Update and report on the Office of Small Business and the Small Business Assistance Center, presentation on Jobs Now! Federal stimulus program, update on legislative matters, and make announcements regarding small business activities. (Discussion Item).
15. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
16. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
17. **Adjournment:** (Action Item)

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**SMALL BUSINESS COMMISSION
NOTICE OF MEETING AGENDA - AMENDED**

Monday, November 9, 2009

5:30 P.M.

CITY HALL, ROOM 400

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

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SMALL BUSINESS COMMISSIONERS

Richard Ventura, President
Irene Yee Riley, Vice-President
Darlene Chiu Janet Clyde
Kathleen Dooley Luke O'Brien
Michael O'Conner

1. **Call to order and roll call:**
2. **Small Business Commission Monthly Small Business Recognition.** Mara Rosales, Rosales Law Partners, LLP, Former, Inc.
3. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).
4. **Progress report, discussion and possible action on proposed amendments to 14B [Local Business Enterprise and Non-Discrimination in Contracting Ordinance.]** Presentation by the Office of Supervisor David Chiu and/or Commission President Richard Ventura. (Discussion and possible action item).
5. **Discussion and possible action to make recommendations the Small Business Commission on File No. 091208. [24th Street - Noe Valley Neighborhood Commercial District - Conditional Use for New Full-Service and Small Self-Service Restaurants.]** Ordinance amending the San Francisco Planning Code by amending Section 728.1 and Sections 728.42, 728.44 and 728.69A of the Zoning Control Table to allow new fullservice restaurants, small self-service restaurants, and self-service specialty food establishments with conditional use authorization and removing the Specific Provisions for full-service restaurants; adopting findings, including environmental findings, Section 301 findings, and findings of consistency with the General Plan and the Priority Policies of Section 101.1. Presentation by SBC Legislation and Policy Committee. (Discussion and possible action item) Explanatory Documents: File No 091208

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6. **Discussion and possible action to make recommendations the Small Business Commission on File No. 091113 [Seismic strengthening of soft-story, wood-frame buildings.]** Ordinance finding a compelling public policy basis for expediting the processing and review of permits for voluntary seismic retrofit upgrades of soft-story, wood-frame buildings and amending the Planning Code, Building Code, Fire Code, and Public Works Code to waive permit processing fees for the proportionate share of work related to such seismic retrofit upgrades; making environmental findings and findings of consistency with the City's General Plan and Planning Code Section 101.1. Presentation by SBC Legislation and Policy Committee. (Discussion and possible action item) Explanatory Documents: File No 09113
7. **Presentation, discussion and possible action on Extended Hours for Parking Meters.** San Francisco Transportation Agency has done a study on the needs and benefits for extending hours for parking meters in selected areas of the City. Presentation of study by Sonali Bose of the SFMTA (Discussion and possible action item) Explanatory Documents: Extended Meter Hours Study
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16. **General Public Comment:** Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)
17. **New Business:** Allows Commissioners to introduce new agenda items for future consideration by the Commission (Discussion Item).
18. **Adjournment:** (Action Item):
Public comment will be taken before or during the Small Business Commission's consideration of each agenda item. Copies of explanatory documents and other related materials listed herein are available by linking to the website agenda, www.sfgov.org/sbc or for public inspection and/or copying at City Hall, Room 110. Please call the Small Business Commission to make arrangements.

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REGINA DICK-ENDRIZZI, EXECUTIVE DIRECTOR

December 7, 2009 (Regular)

SMALL BUSINESS COMMISSION NOTICE OF MEETING AGENDA

Monday, December 7, 2009

5:30 P.M.

CITY HALL, ROOM 408

1 Dr. Carlton B. Goodlett Place, San Francisco Ca 94102

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SMALL BUSINESS COMMISSIONERS

Richard Ventura, President
Irene Yee Riley, Vice-President
Darlene Chiu Janet Clyde
Kathleen Dooley Luke O'Brien
Michael O'Conner

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1. Call to order and roll call:

2. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. With respect to agenda items, your opportunity to address the Commission will be afforded when the item is reached in the meeting. (Discussion Item).

3. Consent Calendar:

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Small Business Commission, and will be acted upon by a single roll call vote of the Commission. There will be no separate discussion of these items unless a member of the Commission so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item at this or a future hearing. (Action Item).

a. Recommend Approval the Board of Supervisors File No. 091162 [Purchaser's authority to permit informal solicitation of certain contracts for purchase of goods or services and to set aside contracts for small local businesses] Ordinance amending Administrative Code section 21.5 to allow Purchaser to permit informal solicitation for contracts for commodities and services up to \$100,000 and for those contracts utilizing federal grant funds where authorized and to update Purchaser's authority to set aside contracts for local small businesses. Explanatory Documents: File No 091162

b. Recommend Approval the Board of Supervisors File No. 091163 [Economic stimulus measures for capital project acceleration.] Ordinance amending Administrative Code Chapter 6, Public Works Contracting Policies and Procedures. Explanatory Documents: File No 091163

4. Presentation and report from Controllers Office current economic status and status of the City and budget projections. Presentation by Ted Egan, Chief Economist, Office of Economic Analysis Controller's Office. (Discussion item)

5. Presentation, discussion and possible action on proposed limitations of Tobacco Permits. Presentation by Jimmy Shamiyah, Arab American Grocers. (Discussion and action item)

6. President's Report: Allows the President to report on recent small business activities and any recent small business activities and announcements. (Discussion item)

7. Vice-President's Report: Allows the Vice- President to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item)

8. Budget and Economic Development Committee Report: allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)

9. Legislative and Policy Committee Report: allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)

10. Permitting Committee Report: allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)

11. Outreach Committee Report: allows the Chair to report on recent committee activities and make announcements (Discussion and possible action item)

12. Commissioner Reports: Allows Commissioners to report on recent small business activities and make announcements that are of interest to the small business community. (Discussion Item)

13. Director's Report: Update and report on the Office of Small Business and the Small Business Assistance Center, update on department programs (Shop SF Get More, restaurant on-line tool and Private Sector /Small Business – Dept. of Emergency working group) update on legislative matters, and make announcements regarding small business activities. (Discussion Item)

14. General Public Comment: Allows members of the public to comment generally on matters within the Commission's purview, and suggest new agenda items for the Commission's future consideration. (Discussion Item)

15. New Business: Allows Commissioners to introduce new agenda items for future consideration by the Commission. (Discussion Item)

16. Adjournment: (Action Item)

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Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that city operations are open for the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6083. To obtain a free copy of the Sunshine Ordinance contact:

Frank Darby, Administrator
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4683
Office: (415) 554-7724
Fax: (415) 554-5163
E-Mail: sotf@sfgov.org

Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org.

Cell Phone and/or Sound-Producing Electronic Device Usage at Hearings

Effective January 21, 2001, the Board of Supervisors amended the Sunshine Ordinance by adding the following provision: The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

Disability Access Policy

Accessible seating for persons with disabilities (including those using wheelchairs) is available. The closest accessible BART Station is the Civic Center station located at the intersection of Market, Hyde and Grove Streets. Accessible MUNI lines serving the Veterans Building are 42 Downtown Loop and the #71 Haight/Noriega and the F line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services call 923-6142. Accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex. American Sign Language interpreters and/or a sound enhancement system will be available upon request by contacting Milton Edelin at 558-6410 at least 72 hours prior to a hearing. Individuals with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-8925 to discuss meeting accessibility. In order to assist the city's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the city to accommodate these individuals.

Translation Services

Interpreters for languages other than English are available on request. Sign language interpreters are also available on request. For other accommodation, please call the Department of Human Services staff support representative at 557-5989 at least two business days before a meeting.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by San Francisco Lobbyist Ordinance [Article II of the San Francisco Campaign and Governmental Conduct Code] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Ave., Suite 3900, SF 94102 (415) 581-2300, FAX (415) 581-2317 and web site address at <http://www.sfgov.org/ethics/>.

Chemical Sensitivity

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical base products. Please help the City accommodate these individuals



